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Peculiarities of corporate social responsibility
implementation on tourism enterprises

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INTRODUCTION

The tourism business turning to social issues at the global and local levels. Issues connected with social responsibility of the tourism business to the community are more relevant than ever. At the same time, the active social position of entrepreneurs should be reflected in harmonious coexistence, interaction and constant dialogue with society, participation in solving social problems.

The aim of the work is to analyze opportunity of corporate social responsibility implementation on the tourism enterprises, its influence on the business entities and give some recommendations towards development of CSR in Ukrainian tourism field.

Such tasks for this work can be pointed out:

- 1) to research the concept of corporate social responsibility and its peculiarities:
- 2) to analyze successful foreign experience in introducing CSR in enterprises and its impact;
- 3) to research the market of tourist enterprises in Ukraine;
- 4) to analyze the trends that are present on the Ukrainian tourism market considering CSR initiative ;
- 5) to explore the Coral Travel enterprise, its internal and external environment, the possibilities and threats of development;
- 6) to explore possibilities of corporate social responsibility implementation on the Coral Travel;
- 7) to evaluate potential influence of CSR implementation for Coral Travel;
- 8) to make possible recommendations for further successful operation of the enterprise.

Object of the work is economic and social relations between business entities and social institutions in Ukraine, considering implementation of the competitive corporate social responsibility policy on tourism enterprises.

Subject of the research is system, with the help of which Ukrainian tourism enterprises will be able to increase its competitiveness on the market due to participation in social life of the country.

Methods of the research are: analysis, classification, prescience, analogy, comparison method, graphical method.

Information basis of the research is books, article, electronic resources, annual reports of international organization and information from conferences, legislation documents, and reports from the place for practice.

Scientific actuality stands for highlighting of specificity of the tourism business in the close connection between the employees of enterprises and stakeholders. Therefore, the degree of social responsibility of tourism companies has a direct impact on the productivity of their employees, and therefore on profitability.

As for the *practical use* of the obtained results, they can be used to implement CSR practices on tourism enterprises, or serve as an auxiliary material for the formation of the actual strategy of the enterprise.

As a whole, the topic of corporate social responsibility was analyzed by such international and domestic scholars: Carrol. A., Friedman B., Drucker P., Elkington J., N. Kusik, E. Levitska, O. Dziuba, V. Zyuzina, N. Pohuda and many others. These scientists believe that the introduction of the concept of social responsibility will greatly increase the social significance of the company, will contribute to their sustainable development and ensure the growth of the tourism industry as well.

On the topic of the study, the author published 2 articles (*“Differentiation of marketing strategies of tourists enterprises based on franchising”* and *“Ukrainian corporate social responsibility in the field of tourism”*), the main achievements of which are: analysis of existing methods for evaluating the effectiveness of CSR; determination of the main trends of CSR at tourist enterprises of Ukraine; conducting an analysis of effective strategy for work, considering franchising and responsible business activities for major tour operators on the Ukrainian market.

CHAPTER 1. THEORETICAL ASPECTS OF CORPORATE SOCIAL RESPONSIBILITY

1.1 Essence of the concept of corporate social responsibility

The emergence of ideas of social responsibility dates back to the eighteenth and nineteenth centuries, when the owners of individual enterprises assumed responsibility for their employees, guided by their own religious or ethical beliefs [1].

One of the most prominent supporters of the idea of social responsibility was the English industrialist, Utopian socialist Robert Owen, who developed a project to improve the living conditions of workers in one of the spinning mills in Scotland and expressed the need for state regulation of social and industrial relations in production process. R. Owen's views on the need for state regulation of social responsibility of entrepreneurs were later developed by the French industrialist Daniel Legrand, who proposed the idea of the need for the introduction of international labor standards that would determine working conditions on factories [2]. That is, philanthropy was the first period of evolution of the idea of corporate social responsibility and, despite the existence of successful examples of such activity in the Western countries and in Ukraine, the main drawback of the first stage of development of corporate social responsibility was that such activity was irregular and in some places not clearly targeted. In addition, support for an initiative was directly dependent on the personal views and preferences of the business owners. At the same time, the main areas that focused on charitable activity at this time were: culture and art, assistance to the poor and development of education, etc. [3].

The next historical stage in the development of the concept of social responsibility is the emergence of the United States in the early twentieth century. the doctrine of capitalist philanthropy, according to which for-profit organizations must donate part of their funds for the benefit of society, that is, to finance public needs. Thus, in 1905, a Rotary Clubs were born in the United States, whose supporters believed that financially well-off people should contribute to improving the social

situation not only in the professional sphere but also in the territorial community in which they functioned [4]. However, due to the Great Depression of the 1930s, the concept of social responsibility acquired importance only in the 1950s, being central to the debate on business-society relations.

At this time, there was a sharp increase in pressure from society and its institutions, which consisted in the fact that businesses began to demand certain standards and control their level of compliance. Enterprises were forced to build their relations with the state and society under the new rules and develop new targeted programs, especially in the field of ecology and labor protection. Separate charitable actions have turned into a planned set of measures that can provide the enterprise with the necessary conditions for conducting its own activities.

The development of PR-methods and communication management in the 1990s led to the fact that the concept of social responsibility became more and more often fixed in the missions of enterprises. Particularly popular is the formation of the image of enterprises as virtuous "corporate" citizens. The main forms of realization of corporate social responsibility at this time are public relations, implementation of advertising programs in the field of sports, culture, education and more. At the same time, the effectiveness of social policy was determined by the level of financial return: influence on business development, gaining more market share, increasing profits, etc.

The next stage in the evolution of the idea of corporate social responsibility is the orientation of socially responsible activity of the enterprise on the overall strategy of its development. The problem of corporate social responsibility begins to be considered not from the point of view of available PR-resources, but from the point of view of forming the reputation of the enterprise and creating favorable conditions for its future development. In doing so, the enterprise begins to focus not on providing a high level of profit in the short term, but on creating the necessary conditions to ensure long-term sustainable development and growth that is based on the interests of all stakeholders. Objects of social actions at this stage are living

conditions of the population, wellbeing of employees, improvement of infrastructure of cities, etc. [4].

Existing differences in perceptions of the idea of corporate social responsibility have been reflected in the large number of scientific approaches to the nature, role and importance of corporate social responsibility, which complement or contradict each other. Each of them is based on the idea of analyzing the organization from a systematic point of view, that is, the organization is represented as a complex of interconnected and interdependent parts, organized in such a way as to produce a coherent whole system [5].

The only difference is to perceive the organization as an open or closed system. As a closed system, organizations are not exposed to or interact with the external environment. In contrast, organizations with an open system dynamically interact with their environment. However, if to perceive the organization as a closed system, then the idea of corporate social responsibility narrows significantly, covering only responsibility to owners and employees. As noted above, a similar understanding of this concept prevailed at the beginning of the idea of social responsibility.

It should be noted that in many theories developed, the concept of corporate social responsibility has often been replaced by other definitions that, in the opinion of scholars, better reflect the essence of company-society relations. The most famous among them are "corporate social responsibility", "corporate social activity", "corporate social sensibility", "business ethics", "corporate citizenship" and more. In order to reconcile the existing diversity of approaches, A. Carroll proposed to consider the concept of corporate social responsibility as a generalization of a kind of "core" that agrees with or transforms into other theories [6].

Carroll's concept best reflects existing approaches to understanding corporate social responsibility, showing both their historical evolution (from understanding the organization as a closed economic system, to recognizing its relations with society), and changes in understanding the heterogeneity of social needs (from recognizing the general nature of social needs, to personalizing them, depending on existing social groups) [7]. At the same time, it should be noted that at

the present stage of society's development, compliance with economic, legal, ethical and environmental responsibility is an indispensable condition for ensuring the viability of enterprises of any industry, but in conjunction with discretion such activities can indeed be evidence of responsible attitude managers and business owners to the needs of the environment in which they operate.

However, despite the more than 50-year history of developing the concept of corporate social responsibility, there is currently no single commonly accepted definition of corporate social responsibility. Economists, sociologists, business leaders, representatives of international governmental and non-governmental organizations described it differently. Table 1.1 summarizes the definitions of corporate social responsibility that have been developed in different countries.

Despite the large number of definitions, it is possible to distinguish a number of common features common to most of them. Thus, a key element of the concept of corporate social responsibility is the voluntary nature of socially responsible activities. The company voluntarily decides to implement measures aimed at improving the situation in areas that are not directly related to its business activities. This is based on the second element in defining corporate social responsibility. That is, in this case we are talking about activities that exceed the legal requirements for the work of the enterprise.

Table 1.1

Definitions of corporate social responsibility [2]

Year of adaption	Definition of the corporate social responsibility	Source
1953	Corporate social responsibility is the implementation of policies, decisions, or behaviors that are desirable from the standpoint of society's goals and values.	Bowen H.
1973	Corporate social responsibility is a compliance with the economic, legal, ethical and discretionary expectations from the society which organization faces today.	Carrol A.

Continuation of The Table 1.1

1990s	Corporate social responsibility is the ongoing commitment of businesses to promoting sustainable economic development by interaction with workers, their families, the local community and society at large to improve the quality of life	The United Nations Commission on Sustainable Development (CSD)
2001	Corporate social responsibility is a concept that allows integrating social and environmental aspects into the day-to-day operations of commercial enterprises, as well as incorporating them into voluntary stakeholder engagement.	The European Commission (EC)
2005	Corporate social responsibility is a free choice for the company to enhance the well-being of the local community through an appropriate approach to doing business and providing corporate resources.	Kotler P.
2005	Corporate social responsibility it is a responsible attitude of any company to its product or service, consumers, employees, partners, active social position of the company, which consists in co-existence, interaction and constant dialogue with society, participation in solving the most pressing social problems	Memorandum «On Corporate Social Responsibility» in Ukraine

Social responsibility regardless of level and scale research is determined on a global, national, regional and production levels. The global level reveals the essence of social responsibility by identifying the problems and issues of the humanity and finding ways to solve them through the spread of social inclusion aimed at sustainable development regardless of place of residence and race.

Sustainable development implements a balanced development of economic, environmental and social systems and their simultaneous ability for self-regulation and reproduction [8].

Social responsibility is multidimensional and complex. It can be manifested itself at the individual level through the degree of civil maturity of the individual and became the basis for other levels. The transition to other levels depends on the social and legislative conditions.

It can be seen, that the concept of corporate social responsibility developed over the time. It can be explained by the development of the economy. In our times, it becomes possible to maximize the economic development of the country by using the available opportunities. It should be noted that approaches to understanding the essence of economic development and its factors have changed over time. In general, signs of economic development can be reflected in the well-being of the population, which is measured by determining GDP rates. In a broad sense, economic development also includes social aspects of development, such as poverty reduction, education and health, a more even distribution of income, and so on.

It should be noted that economic development must be sustainable, which means that today's economic development should not contradict the interests and needs of the future generations and not be distrustful. Now the availability of different kinds of resources perceived like an ability for future development, but they are limited. That is why the concept of the sustainable development is closely connected with corporate social responsibility, while major companies use and influence on different kinds of resources.

1.2. Approaches and classification applied to the concept of corporate social responsibility

And this, in turn, allowed scientists to group all existing theories and highlight the main approaches to the concept of corporate social responsibility of enterprises.

According to the most common classification of theories of corporate social responsibility, the main criterion for division is the level of perception by the owners and managers of the idea of social responsibility of the enterprise. Three approaches

to understanding corporate social responsibility exist, which can be seen on the Table 1.2.

Thus, according to the first approach, the common responsibility of the company is to increase profits for its shareholders. It is believed that a similar approach to the understanding of corporate social responsibility was called the theory of "corporate egoism", as expressed by M. Friedman [9].

The second position is the theory of "rational egoism", according to which corporate social responsibility is simply "good business" because it reduces long-term loss of profit. By spending financial resources on social programs, the company reduces its current profits, but in the long run creates a favorable social environment and, therefore, sustainable profits.

Table 1.2

Approaches to the corporate social responsibility concept

Approaches to the corporate responsibility concept		
<p>Corporate egoism</p> <ul style="list-style-type: none"> - increase profit for its shareholders; - aimed at commercial side of corporate responsibility 	<p>Rational egoism</p> <ul style="list-style-type: none"> - reduce long-term loss of profit; - creation of social programmes to obtain favourable social environment; - sustainable profit 	<p>Corporate altruism</p> <ul style="list-style-type: none"> - enterprises perceive as an influencer; - enterprise obliged to take responsibilities for their activity for the development of the society

The third point of view, which is the exact opposite of the theory of "corporate egoism", was called the theory of "corporate altruism". This approach assumes that the enterprise is obliged to take into account not only factors of economic nature, but also human and social aspects of the impact of its activities on society as a whole, as well as on individual stakeholders .

The extension of the approach to understanding the concept of corporate social responsibility has caused a lot of controversy lately, based on the fact that the term

"corporate social responsibility" is inaccurate, because responsibility implies an obligation, and in this case it is not about compulsory compliance with laws, but mostly the voluntary desire of enterprises to make a balance between increased production and public and environmental demands.

To solve this contradiction of the term corporate social responsibility, scientists propose to distinguish three levels in terms of the concept of corporate social responsibility: social obligation, social responsiveness and social responsibility itself, which can be seen on the Fig. 1.1.

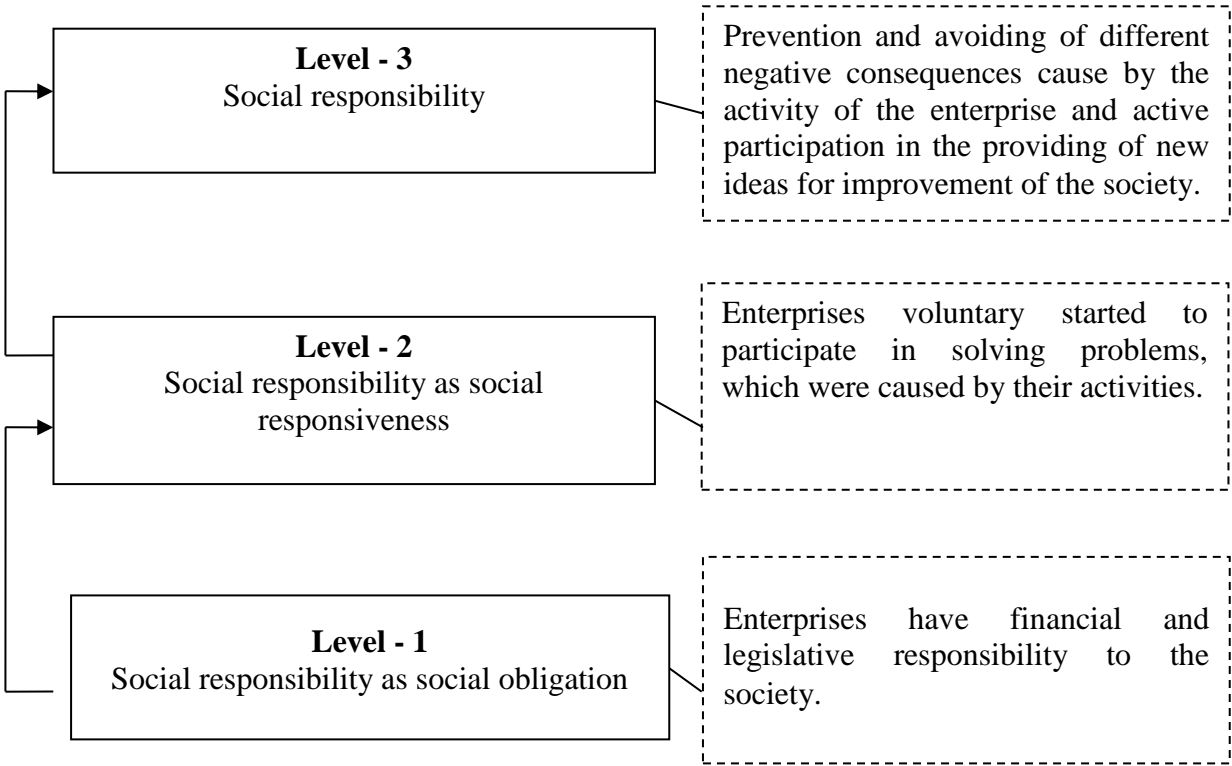


Figure 1.1 Levels of social responsibility

The social responsibility is seen as a social obligation at the first level. At the same time, the main focus is on the economic and legal responsibility of the enterprise to society.

At the second level, social responsibility is defined as responsiveness to social norms and expectations. The main focus is on the voluntary participation of the enterprise in solving environmental problems, solving social problems that are not directly related to the activity of the enterprise. At this level, the activity of the

enterprise is divided into one that must be carried out in accordance with the requirements of the law and one that is voluntarily initiated.

At the third level, social responsibility became itself. The main focus in the activity of the company is on prevention and avoiding of possible negative consequences, active search for ways to solve social problems and innovation in the field of social responsibility.

The second classification is more complete, according to it; all theories are grouped into four approaches according to the principles that underlie them.

The first one, an instrumental approach reflects the idea that enterprise acts as a tool for creation of wealth and all its social activities are aimed at achieving economic results. This approach was most widespread in the early 1970s, when corporate social responsibility was considered primarily as the responsibility of the enterprise to its shareholders. The most well-known supporter of this approach is economist M. Friedman, who believed that there is one and only one social responsibility of the business world is to use their resources and engage in activities aimed at increasing profits, to be engaged in open and free competition, without fraud [10].

That is, in this way, the organization performs its economic function, producing goods and services necessary for society and while creating jobs and maximizing profit for shareholders. Some current researchers, adherents of the instrumental approach, emphasize that only maximizing profits in the long run determines true business responsibility, as this approach allows the interests of both shareholders and other stakeholders to be combined. In addition, they agree that ensuring long-term profit maximization may require businesses to spend some of their social and environmental spending. It is the instrumental approach that determines the socially responsible business conduct and is an element of its strategic management and the necessary prerequisite for its effectiveness and profitability, which has become extremely popular in recent years [11].

The second one, an approach of political influence, based on the fact that enterprises have the capacity to influence society, and therefore must use this ability

responsibly. In this case, social power means the ability to influence the results of important social processes in order to solve social problems, regardless of political institutions

The most famous is the concept of "corporate citizenship", which originated in the early 21st century. This approach is manifested in the strategic and daily activities of the enterprise and reflects the specifics of its interaction with interest groups and the environment. The concept of "corporate citizenship" first originated in British companies, and then spread to American corporations. According to this concept, the role of the enterprise can be considered in a narrow and broad sense. In a narrow sense, the role of the enterprise is reduced to philanthropy, social investment, and certain generally recognized responsibilities to the local community. In a broad sense, an enterprise should be responsible for those areas in which the state is incapable of protecting its citizens.

The concept of corporate citizenship is based on the political theories according to which companies used to occupy a more important place in society than in our time.

The third one, approach of social requirements, according to which an enterprise should focus its activities on defining social demands of society and responding to them, thereby contributing to the strengthening of its positions. In the 1970s, the concept of corporate social responsibility shifted its focus from "what is good for society" to the definition of "what society requires from business." In view of this, the activities of any enterprise in the field of corporate social responsibility should be determined by the expectations of society from it. At the same time, some authors distinguish between requirements for reducing the negative impact and requirements for enhancing the positive impact of the enterprise on society [12]. The emergence of stakeholder theory in the 1980s led to the emergence of a new line of research according to which the social role of business should be determined by stakeholder requirements, thereby replacing the notion of society with that of stakeholders.

Forth one it is an ethical approach, which claims the idea of the ethical obligation of business and individual managers to society. P. Drucker, known for his criticism of Friedman's views, believed that, considering corporate social responsibility, one cannot assume that the personal interests of business owners lead to the achievement of public goods or that personal interests and public goods may be considered separately one from the other [12]. In his view, the responsibility to society is to do with one's own interest what is inherently a public good. One of the approaches of this group is the triple bottom line approach by J. Elkington and the normative approach from E. Freeman's stakeholders. In accordance with the approach of J. Elkington, each enterprise bears economic, environmental and social responsibility to society, thereby ensuring its viability. J. Elkington's ideas were further developed and reflected in the theories of "universal rights" and "sustainable development". The theory of "universal rights" is based on the recognition of human rights, labor rights and respect for the environment as necessary conditions for the work of enterprises. At the heart of the theory of "sustainable development" is the idea that the enterprise in its activities is responsible not only to the modern, but also to future generations. That is why it should control economic, social and environmental performance.

Instead, E. Freeman's normative approach made it possible to describe the relationships between businesses and groups of individuals, inside and outside, interested in his activities. According to this theory, an enterprise bears moral responsibility not only to society as a whole, but only to the interested parties, to whom they include: shareholders, employees of the enterprise, suppliers, consumers and territorial communities in which it operates

A great idea in the context of the unification of existing theories is the approach expressed by A. Carroll, who proposed to interpret corporate social responsibility as a kind of "pyramid" (Fig 1.2), consisting of the economic, legal, ethical and philanthropic responsibility of the organization to by society [13]. At the heart of A. Carroll's "pyramid" lies economic responsibility, as historically

companies were created as producers of goods and services, which made it possible to meet the needs of members of society and, accordingly, to profit.

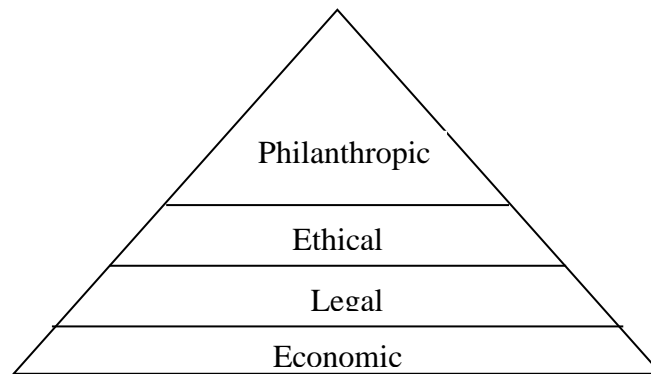


Figure 1.2 Carroll's CSR Pyramid, the four responsibilities

Legal responsibility implies the need to comply with existing laws, while subordinating their economic activities to existing legislative standards. Ethical responsibility requires the enterprise to act in accordance with public expectations, which are not fixed by legal standards (sometimes exceed them), but are based on existing standards of stakeholder morality. Discretionary or philanthropic responsibility implies that the enterprise will voluntarily meet the expectations of society and direct its activities to support and develop social programs, acting as a "corporate citizen". Analyzing the achievements of companies for each type of responsibility, A. Carroll proposes in the context of stakeholders, noting that such an approach allows the company to decide on certain types of social responsibility, based on the characteristics of each group.

1.3 International and Ukrainian experience in applying corporate social responsibility in the field of tourism

In recent years, there has been an increasing trend towards the introduction of a social responsibility policy on the enterprises. This is due not only to the fact that as the market grows, more and more social problems arise, provoking different social issues and contradictory situations for the society, but also because of the

effectiveness of the sustainable development model. Corporate social responsibility (CSR) can improve the image of the company, as well as increase customer loyalty to the enterprise. In addition to the benefits for the client, social responsibility with a rational approach can increase company revenues and reduce costs, improve the organization of the corporate structure and increase the cultural and social role of the company for the society.

The growing popularity of social responsibility of business throughout the civilized world actualizes the transition of Ukraine to new formats of doing business associated with new ideas about its social role in the development of society. In the context of the formation of a new balance of power in social policy, attention is being paid to the social responsibility of employers and, therefore, the need to justify and evaluate it in modern conditions. In Ukraine, the interaction of the state and business, and therefore, the conditions for the development of CSR now is getting through formation stage that has not yet led to the integration of CSR and sustainable development in public policy, as in the European Union or other developed countries.

At the global level, social responsibility outlines the priorities of world development and human civilization through international agreements on sustainable development (Rio de Janeiro, 1992; Johannesburg, 2002; and also the United Nations Global Compact [14, 15, 16].

The global community has developed a system of standards and recommendations for implementing sustainable development, namely: ISO 14000 standard in the field of environmental management systems, Global Reporting Initiative (GRI) [17] that are recommendations for reporting on sustainable development, international standard on social responsibility ISO 26000, ISO 9001: 2000 etc.

The American model of social responsibility was formed in the 19th century. It focuses on the behavior of the company on the market and on the development of positive relationships with regional and local authorities.

Traditionally, in the USA, social responsibility is based on the voluntary basis and on freedom of subjects and is oriented towards a philanthropic model.

Historically, businesses were only required to pay taxes, so they donated a portion of profits to charity.

For solving social problems (such as professional, educational, insurance), United States developed mechanisms for business participation in social support through corporate funds. Also, social responsibility is often associated with business and volunteering programs during business hours. Responsible social activity and charity are stimulated by certain tax benefits, which are set at the legislative level for organizations employing disabled people, retired, youth and veterans. For example, in the United States, there are three types of tax breaks that offset the cost of employment for disabled workers: making it easier for small businesses to make it accessible to people with disabilities; all businesses and organizations can count on discounts to overcome disabilities of varying nature in the workplace for people with disabilities; tax credit for employers who employ certain groups of persons. Charities in the US also have tax benefits; in particular, they are exempt from real estate tax and sales tax.

The Japanese model of corporate social responsibility is also relevant to the Republic of Korea. Research on the Japanese model of social responsibility shows the significant influence of the state institute, but it should be noted that Japanese business has historically focused on domestic programs that make the company a family worker. In a country poor in natural resources, the principle of human resources is cultivated, according to which personnel need to have the most appropriate working conditions. As part of the responsibility to employees, the business provides apartments to professionals, promotes family dynasties, and pays for tuition and more. Through the reorganization of the governance structure, social responsibility departments are allocated, which inform the public about social programs and activities, publish reports and assume responsibility for communication with stakeholders. At the same time, the increased attention of the government, foundations and business to the external component of social responsibility is traced.

Social responsibility in Europe is interpreted as the concept of integrating social and environmental considerations into business activities on the voluntary basis and on the interaction between different stakeholders

However, in many European countries, statutory health insurance and employee health protection, pension regulation and a number of other socially significant issues are enshrined in legislation. For example, in France, there is a law that obliges companies to report on the implementation of social responsibility programs and environmental protection. At the same time, compliance with social and environmental legislation is monitored by labor inspections, as well as by trade unions. In Germany, businessman may obtain a certificate, which can highly reduce taxation for economic activity, if they donate on the socially important needs. It should be noted that the German Government provides financial support to small and medium-sized enterprises for the development of environmental policies (for example, energy conservation consulting, training, environmental management support, and renewable energy investments).

Moreover, because of the support from the government, and public importance of the social responsibility, in European countries companies tend to evaluate the effectiveness of the CSR initiatives and strategies. However, Ukrainian small and middle-sized enterprises are not included in the concept of CSR mostly. Sustainable development has been identified by the UN as the main focus of civilization for the 21st century. Ukraine is one of the countries that have committed to introduce sustainable development principles into the economic system. The team of the Institute of Industrial Economics of the NAS of Ukraine conducted a number of expert surveys on the implementation of the budget program "Social factors of sustainable development of the industrial region", in particular, the question of positive changes in the implementation of socially responsible actions for sustainable development in Ukraine. Results of surveys may be seen on the Table 1.3.

Table 1.3

Assessment of the positive consequences of socially responsible actions in the implementation of sustainable development principles in Ukraine, % [18]

What positive changes will occur after socially responsible actions in implementing sustainable development principles in Ukraine will be made?	
Responsible attitude to the environment, rational consumption and use of natural resources	65,8
Social, economic and environmental development and balance	57,0
Improving public health, increasing life expectancy and labor activity	44,3
Intensification of socially responsible activities of the state, society, business and individuals, creating favorable conditions for the development	43,7
Formation of the system of values, spiritual and cultural development of human society	43,7
Usage of resource-saving technologies in the production process	40,5
Modernization of social relations, consolidation of the society and government in ensuring sustainable development	39,2
Formation and implementation of the consumption model in accordance with the principles of sustainable development	26,6
Ukraine's high rating on sustainable development in international comparisons	12,0
Other	3,2
Hard to give an answer	1,9

Thus, it is possible to achieve the implementation of the principles of sustainable development in the country by modernizing management systems and social relations on the basis of social responsibility, when motivational mechanisms for socially responsible behavior in this sphere of the individual, society, business, state will be employed.

The Law of Ukraine “On Environmental Protection” (Article 50) defines ecological security as a state of the environment, in which the deterioration of the environmental situation and the danger to human health are ensured, which is

guaranteed by the implementation of a wide range of interrelated environmental, political, economic, technical, organizational, state-legal and other measures [19].

Ukraine's expected entry into the European community is defined in society not only as a desire but also as a necessity to implement the principles of sustainable development.

In developed countries, social responsibility is presented by sustainable systems where the principle of state environmental responsibility is implemented through a set of rules, legal norms and human rights, both international and local.

In Soviet times, the social responsibility of the state was realized in its internal and external functions. Internal functions included: social functions such as labor protection and improvement of working conditions, financial support for workers such as health care, provision of recreation conditions; political functions such as solving problems of industrial democracy, activities of party organizations, political enlightenment, etc.; educational functions which included education on the principle of all-round human development, the subjects of education were leaders, staff, public and party organizations. External functions include concern for the living conditions of workers and for the population of the territory where the enterprise located, improvement of this territory and reducing its influence from the enterprise. Environmental safety issues became one of the most important problems.

The state-owned enterprise was responsible for the implementation of all functions. Regardless of the name of the function, they are all social in nature, because they deal with people, with the team, with the social organization of the enterprise. However, this responsibility of enterprises in the Soviet era was forced, tightly controlled, hard to comply with the relevant requirements, and therefore these functions were often organized in a formal and forced manner. These functions have found their place in modern times, but in some transformed form.

Socially responsible business practice in Ukraine comes from many different factors. If we take labor law, there are numerous violations of existing norms and requirements. Ukraine is characterized by violations by employers of international human rights and labor standards, low wages, unlawful actions in the field of

investments in occupational safety, insecure labor market, gender inequality on the labor market.

If we talk about social responsibility of Ukrainian enterprises, there is a tendency to introduce sustainable development strategies, but just among large enterprises. According to a survey of the Ukrainian CSR market [20]:

- 1) 31 companies spent 411 million in total on CSR activity;
- 2) 89% among those companies dealing with education projects;
- 3) half of the companies plan to increase the budget for social initiatives.

Today, the key task for Ukrainian businesses is to comply with applicable labor and environmental laws. Ukrainian law does not provide an appropriate base for the complex implementation of CSR principles right now. There is no integral legislation, standards or institution for such programs.

However, small enterprises cannot afford the systematic introduction of CSR and doesn't have enough of knowledge and methodological recommendations about measurement and planning of such activities; therefore they commit one-time charity events. Such trends can also be seen in the tourism sector in Ukraine, where small businesses exist in a big quantity. It is also possible to define the cultural role of tourism enterprises. Travel agencies and tour operators can be socially responsible not only by using economical methods, but also creating cultural values, as well as implementing of educational activities for different cultures of the world and regions.

Tourism companies that want to determine for themselves a suitable social responsibility policy should be guided by a number of methods and strategies. They can be divided into three large groups:

- 1) separate projects related to CSR;
- 2) CSR programs that combine several initiatives or projects;
- 3) implementation of the CSR policy directly in all the activities of the company [21].

Scientists identify five stages of development of corporate social responsibility in the modern sphere of tourism [22]:

- 1) protective stage when enterprises refuse to be perceived as guilty for specific violations, not recognizing responsibility for the negative consequences of its activities (protection against threats to goodwill that can lead to a decline in sales of services, turnover of valuable personnel, productivity and brand value);
- 2) compliance stage when companies follow the rules as a cost of doing business (preventing a company from reducing its value in the medium term through reputational and legal risks);
- 3) management stage, when companies taking into account socially significant issues in major management processes (preventing the company from reducing its value in the medium term and gaining long-term benefits by integrating responsible practices into day-to-day operations).
- 4) strategic stage when companies taking into account needs of the society in the strategy of developing its business (increasing its value in the long run and gaining the benefits of a pioneering company by linking strategy and innovation to the needs of society).
- 5) civil stage when the promoting the broad the spread of CSR standards in the tourism industry started (increasing its value in the long run by generating collective action).

To be socially responsible for the modern tourism industry means not only fulfilling the relevant legal obligations, but also going beyond regulatory compliance and investing more in human resources and the environment. Investment experience in environmentally responsible technologies and business practices show that companies that do more than is required by law can increase their competitiveness and therefore increase production [23].

The first step of travel companies are small charity projects, which are based on continuous charity activities. After this, a program can be formed, and then an enterprise strategy, based on social responsibility and sustainable development.

The main characteristics of corporate social responsibility for tourism are voluntariness; integration into the business strategy of the organization; benefits for

all stakeholders and employees of travel agencies, as well as tourists, owners, community, and for the enterprise itself; contribution to the process of sustainable development.

There are different examples of social initiatives and project on the Ukrainian tourism market. Travel Professional Group (TPG) takes on social responsibility and takes an active part in the fate of the young generation [24]. As part of such an initiative, in 2016, the company sent 46 teenagers to their holidays in Antalya, whose families, became immigrants from the ATO zone. The national child hospital “OKHMATDIT” also receive financial help of the Travel Professional Group

Coral Travel also has some social responsibility initiatives. Numerous charity campaigns of the company are aimed at supporting the poor segments of the population. The company provides assistance to orphanages, works closely with various charitable foundations, paying particular attention to orphans and veterans.

Therefore, TUIGroup has launched the “BetterHolidays, BetterWorld” Sustainable Development Initiative. TUIGroup is a company which has a strong social responsibility strategy, which is based on four fundamental principles. TUIGroup became a Dow Jones Sustainability Index and FTSE4Good constituent. It reflects the real ability of the enterprise to influence positively on the society with the help of company’s economic and social activity. It should be noted that TUIGroup it is a company with foreign capital that is why it follows international norms and standards in the field of CSR and has a strong policy towards sustainable development.

Conclusions of the first part

It can be concluded that the Ukrainian tourism business can achieve world standards of social and environmental responsibility if the concept of sustainable development is introduced. Even now we can see a tendency of growing interest about CSR on the Ukrainian market.

An important role in stimulating business participation in sustainable development is played by the state. To stimulate business, it is necessary to introduce a legislative framework that would give economic, social and cultural development goals for entrepreneurs and drive the progress. Also, norms and standards should be developed that would help the entrepreneur assess the effectiveness of CSR and correctly implement initiatives. In addition, the state should provide institutional conditions that would stimulate businessmen to improve the quality of their products and the activity itself. Thus, a supportive environment should be created in which enterprises can follow the recommendations for the introduction of CSR strategies on the enterprise and for the sustainable development.

The features of the tourism business and its resource base establish a direct relationship between the essence of corporate social responsibility and the sustainability of the economy. The implementation of CSR by tourism business leaders became more obvious due to the fact that modern Ukrainian business already stand at the initial stage of social and economic transformation, demonstrates sustainable economic development, expansion of production. Corporate social responsibility of tourism enterprises is expressed in the implementation of the principles, standards and concepts of socially responsible business. The introduction of the concept of corporate social responsibility is important issue due to its innovativeness as an effective economic tool for improving the efficiency of functioning of enterprises of the tourism industry.

CHAPTER 2. ANALYSIS OF THE CORAL TRAVEL BUSINESS ACTIVITY AND ITS POTENTIAL FOR IMPLEMENTATION OF CORPORATE SOCIAL RESPONSIBILITY

2.1. Tourism tendencies in Ukraine and Coral Travel's place on the market

Modern tourism is one of the most advanced industries in the world economy and can be positioned as an independent type of economic activity [25].

Almost a third of the planet's population uses the tourist aspects of the complex daily. Tourism is among the top five industries in the world economy. In developed countries and regions, tourism is a major source of income. Every tenth worker in the world is involved in tourism. In addition, according to World Tourism Organization forecasts, international tourism volumes will increase by an average of 4% annually [26].

The United Nations General Assembly 2017 was proclaimed the International Year for Sustainable Tourism Development. The resolution emphasizes the promotion of better understanding between peoples around the world. As a result, 2017 has been quite successful for the development of the world tourism business, as evidenced by an increase in international tourist arrivals by almost 7% compared to the previous year, the highest growth since 2009 in the global economic crisis and well above the projected UNWTO growth rates (3 , 8% annually during the period 2010–2020) [25].

Accordingly, total exports from international tourism reached 1.7 trillion on average, or \$ 4.6 billion per day. As an international export category, tourism ranks third after the chemical and fuel industries, ahead of car manufacturing. In many developing countries, tourism is a priority export category. Such growth of the international tourism sector is due to the global economic recovery, which has led to an increase in demand in almost all tourism markets, both developed and developing [26].

Ukraine has a number of advantages in terms of geographical and political location, which significantly contribute to the development of its tourism sector.

Among the main tourist capacities of Ukraine are the convenient geographical location, favorable climate, diverse relief, unique combination of natural and recreational resources, cultural and historical heritage, branching of the health resort and many unique architectural monuments [27].

However, even such benefits are not fully used, the tourism industry is underfunded, many issues and resources remain unimplemented, the financial and economic crisis, complex political events do not bring the country to a competitive level in the tourism industry.

Today the tourism industry of Ukraine is very important in the system of the economy of the country, is in a state of rather dynamic and positive development, is one of the ways to accelerate the European integration processes, and therefore a means of raising the world position of our country.

Due to the 2014 crisis, Ukraine has lost its popularity as a tourist destination, as potential tourists associate the country with danger against the backdrop of the constant negative information background around it. The balance between inbound and outbound tourism has been broken, which has directly affected Ukraine's position in the structure of the European tourism market.

But it should be mentioned that world tourism sector faced a real threat in 2020 and an enormous downturn due to the COVID-19 and quarantine restrictions, which include such important parts of tourism industry like: bans of cross boarding, cancellation of air traffic, isolation of citizens.

Since tourism it is a social industry, connecting with people communication it suffered a lot and is vulnerable to the changes in the world. UNWTO estimates international tourist arrivals could decline by 20% to 30% in 2020 (Figure 2.1). This would translate into a loss of 300 to 450 US \$ billion in international tourism receipts (exports) almost one third of the US \$ 1.5 trillion generated globally in the worst-case scenario [28].

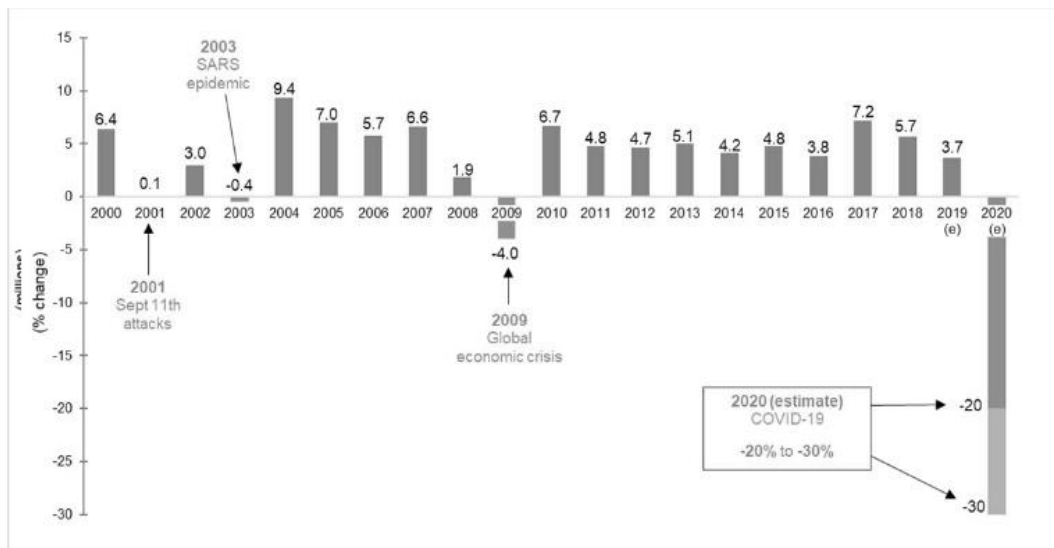


Figure 2.1 2020 forecast International tourist arrivals, world (% change) according to UNWTO [29]

So, tourism industry will be experience a crisis after such backdrop due to unpredictable circumstances. That is why market participant should be prepared to act flexible and adapt to the changing conditions.

The analysis of the demand for tourist services for the purpose of travel for the period 2012 – 2018 revealed the following: the number of tourists who visited Ukraine for business or study purposes has a positive trend, this is evidence that despite at difficult political moments, Ukraine has not lost its external and internal business ties and has a strong enough potential for their development; at the same time, the dynamics of sports tourism is rather negative – in 2013, the decline reached 12.2% compared to the previous year, in 2014 – almost 16 times, in 2015 – by 14.3%, but there are positive changes in 2018 year it is an increase of 15% compared to 2017 (Figure 2.2) [26].

At the same time, it is possible to note the positive tendencies of tourism for the purpose of leisure and recreation.

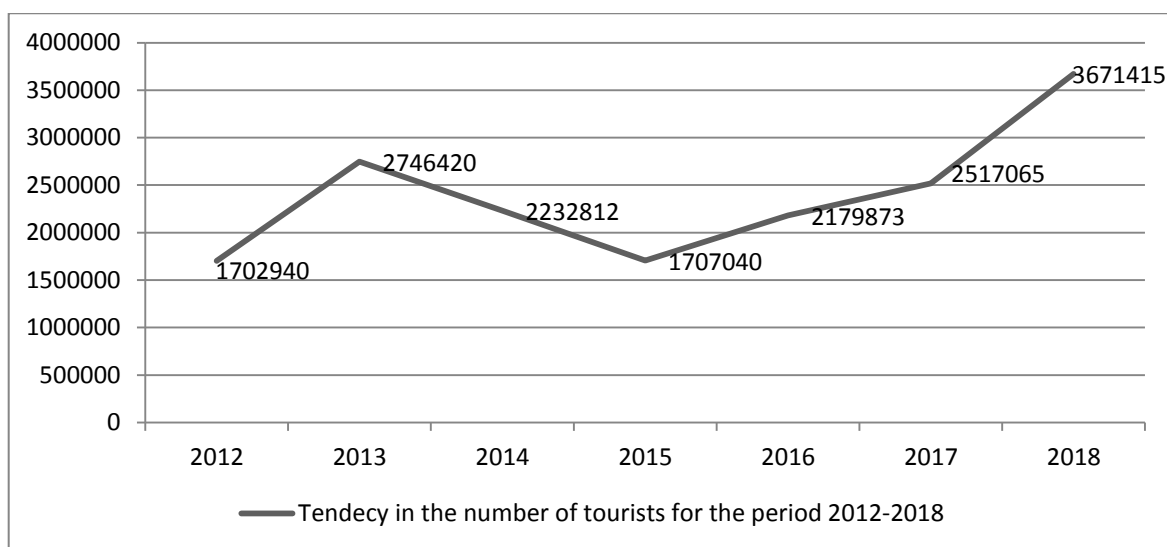


Figure 2.2 Tendency in the number of tourists for the period 2012-2018 in Ukraine [26]

The critical year for this indicator was 2015, in which the value of the indicator by the analyzed period was the smallest and amounted to 1702940 people, and in 2016 the indicator increased by 21%, as well as in 2017 the indicator increased by 19% and reached the level of 2012. According to the State Border Guard Administration of Ukraine [29], the analysis of the structure of foreign citizens who visited Ukraine in 2018 for the purpose of organized tourism shows that almost 37% of foreign tourists came to Ukraine from Belarus.

Such statistics are explained by the simplified procedure of crossing the border according to the agreement between the Republic of Belarus and Ukraine on friendship, good neighborliness and cooperation; lack of language barriers, common cultural and historical heritage of countries, etc. It is worth noting that the lack of language barriers significantly reduces the official statistics of tourist flows from Belarus, since a large part of tourists do not turn to travel agencies, booking accommodation themselves and making excursions, thus not getting into the statistics of tourist arrivals.

If we talking about inbound tourism, a significant proportion of tourists in 2018 came from Turkey (19.03%), Russia (12.4%), Germany (3.64%), Austria (1.84%) and the United States (1.84%), which indicates about increasing the interest of foreign tourists to unique parts of Ukraine (Figure 2.3) [26].

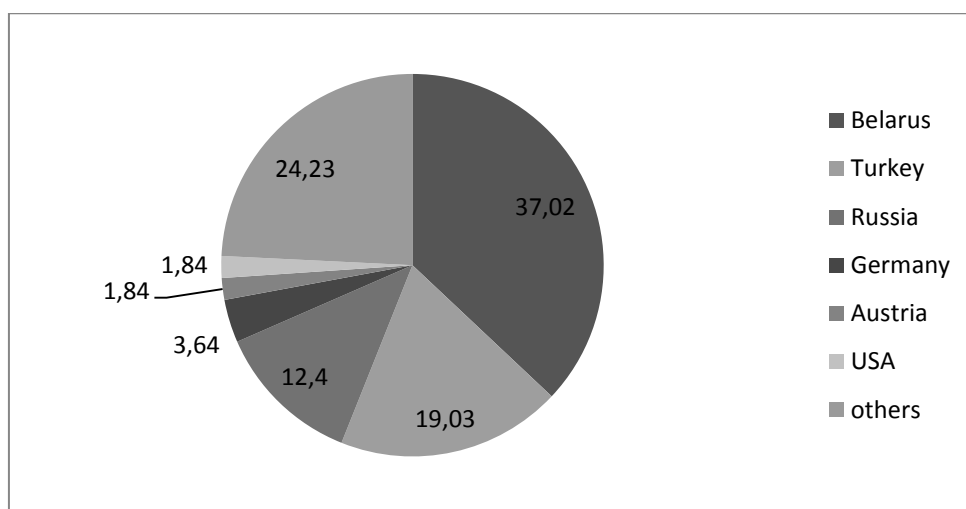


Figure 2.3 The structure of Ukraine's inbound tourism in 2018, %

The leader in outbound tourism in Ukraine remains Turkey, which according to the results of 2018 was visited by almost 40% of Ukrainian tourists. Egypt and Turkey are constant competitors in the competition for leadership in tourism – the most sought after destinations for Ukrainian citizens.

A particularly important indicator that determines the competitiveness of the country's tourism industry and ensures its implementation and maintenance is the number of available tourism entities and the volume of employees involved in tourism. During the period 2012-2015, the number of tourist activity subjects has been steadily decreasing compared to each previous year – by 5.4%, 30.5%, and 22.1%, respectively (Figure 2.4).

Also, tendencies in number of subjects of tourist's activity and rate of employment in tourism should be discussed. There is a correspondence between political and economic situation, as well as with the state of tourism sphere existed, according to statistical data.

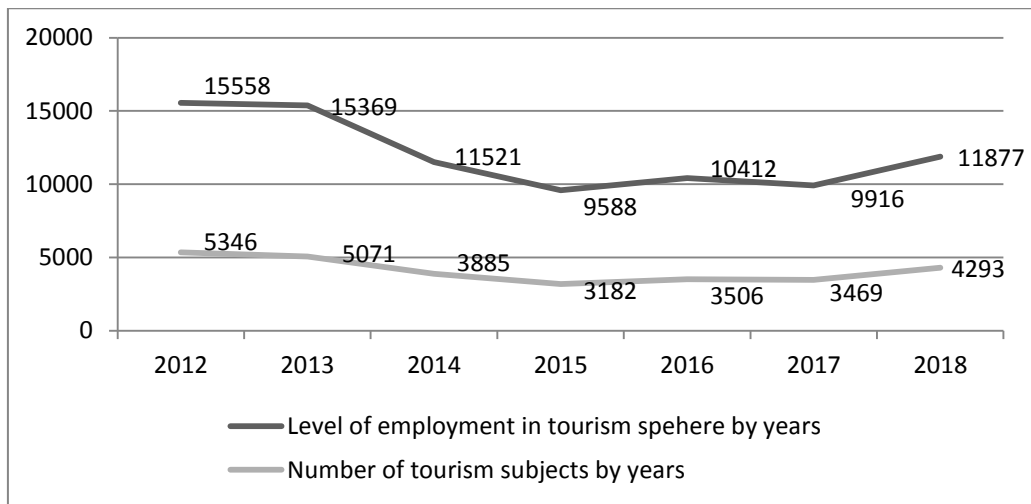


Figure 2.4 Number of subjects of tourist activity and employment in tourism

This situation was primarily due to the low level of financing of the tourism industry, the high cost of servicing the tourist activity, the lack of interest in the development and support of the domestic tourist enterprise. At the same time, there are positive growth rates in 2017 and 2018.

Whereas, the aggravation of the political situation, the military conflicts in the east of Ukraine, significant social tensions, general reduction in the solvency of the population, fluctuations in exchange rates, absence of clear mechanism of responsibility for violation of the article of the Law "On Tourism", low rates of modernization of the material base and shortage of financial resources have led to a decrease in the number of subjects of tourist activity.

Ukraine's tourism industry has a great potential for development, but the main task in the field of tourism at the state level is to create favorable conditions for the development of cultural level and improvement of the country's infrastructure. In this regard, particular attention should be paid to the development and increase of tourism resources that can attract a potential tourist. The reduction in the number of theaters in 2014 by 17.7%, of museums by 4.6% compared to 2013 could not go unnoticed for the tourist industry of Ukraine. At the same time, there is something positive about the increase in the volume of natural objects of Ukraine, which opens wide

opportunities for the development of sports and green tourism. Over the last years, the number of natural assets in Ukraine has increased by 2.3%

Kharkiv Region has a developed national economic complex represented by almost all sectors of the Ukrainian economy. The set of available factors contributed to the establishment of the region as one of the most important political, industrial, economic, scientific, religious, cultural and educational centers of our country. It should be noted that the Kharkiv region does not belong to the main and traditional tourist destinations of Ukraine, and further complexity of the geopolitical situation and military conflict in the east of the state is extremely detrimental to the increase of tourist flows and the formation of regional tourist image.

In the all-Ukrainian indicator of the total number of tourists and sightseers (excluding foreign tourists) served by subjects of tourist activity, the Kharkiv region accounts for about 1.8% of people (Table 2.1).

Table 2.1

Number of tourists served by tour operators and agents in Kharkiv region by years from 2012 to 2018 [30]

Years	Number of tourists served by tour operators and travel agents in Kharkiv region	Including		
		inbound (foreign) tourists	outbound tourists	domestic tourists
2012	105663	1701	87814	1618
2013	91648	591	53831	37226
2014	71437	–	68046	3391
2015	31233	6	25946	5281
2016	40429	1	33716	6712
2017	51929	16	43626	8287
2018	62232	273	53633	8326

Kharkiv region doesn't attract a lot of inbound tourists, but most numbers of foreign flows come in Kharkiv region for education and business purposes, that is why they don't deal with tourism mediators for visiting. This indicator shows a rather

low level of integration of the region into the national tourist market. It can be said, that Kharkiv region mostly dealing with outbound tourists. It can be clearly seen on the statistical data.

Since Kharkiv it is one of the largest Ukrainian cities, it has a lot of tourism subjects and airport. There are a lot of representatives of tour operators, tourism agencies, such as: Join Up, TPG, TUI, Anex Tour, Tez Tour, Coral Travel, Pegas Touristik and so on. Now we need to stop more detailed on Coral Travel, which became the place for practice.

Coral Travel it is a part of OTI holding. The OTI group of companies began operations in 1992. The structure of the Holding includes leading brands of the international tourism sector, working in various fields: tour operator services, travel agencies, and hotel business, and destination control center, aviation and security services in the tourism sector. OTI Holding currently employs more than 7,000 people.

The company's activities are aimed at creating maximum benefits for its customers, employees, society as a whole, as well as shareholders through the right, effective and regular investment in the development of a quality product and the formation of environmental awareness. Coral Travel's main successes have been and remain the company's policy flexibility, responsiveness to innovation, and openness to new, advanced techniques and technologies. The corporate ethics of the company is based on the combination of team approach to the tasks set with the professionalism and creative initiative of each individual employee. And the main factor of success is an obligatory honesty and responsibility towards all business participants and clients. OTI Holding continues to invest in tourism, today 27 of its companies operate in Ukraine, Belarus, Georgia, Russia, Turkey, Egypt, Thailand, Greece, Spain, the United Arab Emirates, Malta, Germany, Ireland, the Netherlands and Switzerland.

The tour operator activities of the company are carried out through head offices and 50 branches under various brands: Coral Travel (Ukraine, Belarus, Georgia, Germany, Poland, Turkey), Sunmar (Russia) and Ferien Touristik / Coral Travel

(Germany). OTI Holding sends tourists from 72 cities to 90 destinations in 40 countries, organizing regular and charter flights. In all countries where the Coral Travel and Sunmar brands are represented, a retail sales network has been created, which is successfully developing and currently has 2150 offices.

In 2017, OTI Holding became the leader in the tourism sector in Antalya and Turkey, bringing 1,196,616 tourists to the country that purchased holiday packages in the countries of the company's original markets – Ukraine, Russia, Poland, Germany, Belarus and Georgia. In total, in 2017 OTI Holding provided a wide range of its services for 2.7 million tourists, 2.3 million of whom bought package tours.

The group of companies maintained its leading position in 2018, bringing a total of 1,524,704 tourists to Turkey; 1,377,345 of them visited Antalya. In the same year, OTI Holding served a total of 3.1 million tourists; 2.8 million of them traveled on package tours, and the remaining 0.3 million tourists purchased only airline tickets. The leaders among the 2018 destinations are Turkey, Thailand, Egypt, Greece, the UAE, Tunisia and Spain [31].

In addition, in 2018 OTI Holding was awarded a double award, becoming the winner in the category Travel Agency Services, as well as taking 9th place in the category Export of Services in All Sectors of the Turkish Economy in the rating of 500 Largest Exporters of Turkish Services. The study was organized with the participation of the Turkish Exporters Assembly and the Ministry of Commerce. In the aviation field, the OTI Group operates 26 aircraft; 70% of which belong to the Holding [32].

With 25 years of professional experience in the field of outbound tourism, Coral Travel Company offers only high-quality tourist products in the Ukrainian tourism market.

Coral Travel offers the best resorts and hotels in 28 countries of the world – in Turkey, Spain, Greece, Egypt, Thailand, Bulgaria, Tunisia, Morocco, Israel, the United Arab Emirates, Andorra, Austria, China, Cuba, India, Mauritius, Tanzania, Dominican Republic, Indonesia, the Maldives, Vietnam, the Seychelles, Sri Lanka, Singapore, Mexico, Cambodia, Jordan and Ukraine. There is ongoing work to open

new directions. The tour operator organizes group and individual tours on the basis of its own charter programs and regular flights, develops different types of tourism, as well as actively sells airline tickets online.

Air transportation programs are carried out on a charter and regular basis from major cities of Ukraine. Coral Travel offices operate in the capital of Kyiv, as well as in Zaporizhzhia, Lviv, Odessa and Kharkiv.

Each agent purchasing a Coral Travel product can be sure that only high-quality services will be provided to its client, carefully checked and selected by Coral Travel experts. That is why the product offered on the market under the Coral Travel brand is, in the eyes of consumers and partners, a synonym for reliability and quality.

Today, the world's economy is booming and expanding on the variety of industries. The travel industry is now characterized by increasing levels of competition, forcing business executives to make the necessary changes and seek new approaches to business management, regardless of its size. New travel businesses are emerging on a daily basis, but only a small number can withstand competition and continue to function on the market. Franchising is one of the most modern forms of tourism business in the world. It is a model of business organization that is mutually beneficial partnerships of large and small businesses.

The milestone of the operation of the franchise system is a large enterprise (franchisor), which concludes an agreement with a small independent firm (franchisee) for the production or sale of clearly defined types of goods or services that meet the quality standards of a large company [33]. According to the agreement, the franchisor gives the franchisee the right to use the trademark, equipment, technology, as well as provide ongoing business and professional assistance, conduct staff training, provide advertising and market research.

Franchising itself is a very specific method of business organization, because it offers the entrepreneur an easy way to growth (the entrepreneur gets a ready deal), and for franchisees this is an opportunity for rapid expansion of business.

Franchising business in Ukraine is developing rapidly. Usually, we are used to seeing examples of franchising in the service industry, especially with regard to

communications, catering, advertising, hospitality and tourism. The successful use of franchising in the world began in the 1970s and continues to this day.

According to the results of the conducted researches in the field of franchising, in 2011 in Ukraine there were 16 tourist networks operating under the franchising system, mainly, these are Ukrainian companies [34].

Coral Travel Franchising is a successful business scheme: over 86% the company's partners execute sales plans in 2015 and claim a royalty discount in the next 2016; more than 79% of partners have sales in excess of 2014, and 62% of the participants in the prestigious Starway 2015 Tourism Award in the nominations called Best and Perfect are Coral Travel Network Offices. To bring the agents to a new level, increase the profitability and efficiency of the tourism business, a program of development and support of the network was clearly established: the scheme of exclusive financial profitability; professional education system; business automation; advertising campaigns and PR campaigns; personal support by the coordination center [35].

In 2015, Coral Travel continued to dynamically develop its franchise network and help build effective business schemes: entry fee is free of charge; furniture set is free of charge (for 2 workplaces); 2 free promotional tours (one to Turkey and one to Egypt during the year) for employees of each network office (Table 2.2). Additional 50% discount on advertising tours to Turkey and Egypt for 2nd and 3rd employees of the Network office (during the year). Extra 50% off for 2 employees from the network office for any available promotional tours of the Coral Travel tour operator (during the year); when the Coral Travel Agency office is located in shopping mall royalty is free for the first year of cooperation.

Table 2.2

Amount of investment required to open Coral Travel Office [source: own compilation]

Region	Population	Entry fee		Royalty UAH per month	Annual plan/ number of clients	Bonus annual plan/ number of clients
		Existing agencies	New agencies			

Continuation of the Table 2.2

Kyiv		0	4000	2000	300	500
Kharkiv, Odessa		0	3200	1500	250	400
Dnipro, Lviv, Zaporizhya		0	2800	1200	200	350
Other cities	200000 – 500000		2400	1000	170	300
	Less than 200000		2400	1000	150	250

Network of Travel Agencies Coral Travel and Network of Travel Agencies Coral Elite Service are growing rapidly with the help of franchise system. Today they are represented in almost 80 cities of Ukraine and unite about 300 offices working according to common standards in 2019.

It can be said that Coral Travel franchise system is really well-organized and can attract qualified tour agents for the work with Coral Travel operator [36].

2.2. External environment of Coral Travel and its analysis

The main factors of the environment of Coral Travel are such resources: human capital, information, funds and technologies. However, taking account a big dependence of tourism on the social situation on the world, it can influence on the tourism subjects a lot. Large organization cannot point out only one element, as the inefficient approach to prediction of different threats will inevitably lead to the collapse of the entire system, so the functioning of Coral Travel depends on the proper organization and management.

Obviously, Coral Travel has a lot of opportunities, which can be potentially used for the development of the network. As it was mentioned before, Coral Travel has a franchise network, which helps tour operator to sell tourism products with the help of tour agencies (mediators). If there will be an increase in the numbers of agencies, the network expands and can share a bigger part on the tourism market.

Incentive program from the government may motivate businessman for starting new businesses and invest capital on this. It will influence on the number of working places and on the scale of network as well. Such positive changes may effect on the development of tourism as well.

Strengthening of loyalty program helps to return new clients for next purchase and form the client base, which provide network with regular customers. Loyal customers create a sustainable business and help to overcome outage. So, it can create a favorable condition for the development of business.

Visa-free regime helps to attract more tourists, due to the simplification of the procedure and reduce costs for tour product. It helps to sell more services and make the work more effective.

Expanding of the product line helps to attract new target audience and so increase the number of potential tourist. Sometimes it can form a new mass market product, which can become a new competitive advantage.

Increasing incomes of the population effect positively on the development of business, because the number of potential customers increase as well. People can spend more money on product and make it more often. It boosts sales.

The other one opportunity it is a partnership agreements with other companies. It may be a promotion tool, and also a support for company, which can attract new potential clients and make a positive image for the company.

There are a lot of opportunities of Coral Travel. Even now it is a big network, which you can find in the dozens of Ukrainian and foreign cities. Franchise conditions created favorable factors for the expansion of Coral Travel representatives in the country.

Coral Travel known for its affordable price policy, which attract a big amount of tourists. It mixed with a good quality of services on such cost with compliance of standards. Tour product can be described as relevant, available and has a wide range for selection, so it's highlighting different preferences for every kind of consumers.

Moreover, Coral Travel shows itself like a flexible market participant, because it responds on the needs and wants of the clients, as well as changes on the market. If

there will be an increase demand on the particular destination, tour operator will immediately provide options for tourists.

One of the major strengths of Coral Travel it is a positive image. It is a customer-oriented company and that is why tour operator worried about the name of the brand. Reputation attracts customers who trust into extensive working experience on the market, loyalty and recognition among tourism companies.

Threats of the company can be described as possible negative influence of the external environment on the business. It may effect on the whole tourism industry.

It can be concluded, that there is a decrease in Ukrainian tourism industry in 2014, when country faced riots and political instability. Tourists do not want to visit places of political uprisings and wars. Therefore, inbound tourism is greatly damaged by the outflow of visitors. But also the quantity of outbound tourists reduced, as the political and economic situation negatively affects the income of the population. Now we can see a sharp decrease in the number of tourists when the world faced an epidemic and quarantine measures were introduced. This is the realization of a potential social and economic threat that negatively affects business.

Currency fluctuations directly affect the solvency of the population, and therefore the number of sales. If currencies fluctuate strongly, for example, the hryvnia will become cheaper, and then this, of course, will negatively affect the sales of products.

Also, the worsening of the relations between countries may be a threat for business. So, for example, there are mass directions that are most often sold and make the bulk of sales. However, if relations between Ukraine and such a potential country deteriorate, then this can affect the regime of entry into the destination, which means reducing the number of tour products and as the consequences – reduce the number of customers. If Ukraine worsens relations with Turkey, tourism companies will lose more than half of their earnings from outbound tourists.

Let close closely to external environment, which can influence on the company (Table 2.3). Since it is a tourism industry, it can be really vulnerable to external factors and decreased indicators of effectiveness and development of companies.

Table 2.3

PEST-analysis for the external environment for Coral Travel

Policy	Economy
<ol style="list-style-type: none"> 1) Future legislative changes. 2) European / international law. 3) Changes in government policy. 4) State regulation of competition. 5) Trade policy. 6) Tightening of state control over the activities of business entities and implementation of additional penalties. 7) Funding, grants, and initiatives. 8) Ecological problems. 9) Lobbying / market pressure groups. 	<ol style="list-style-type: none"> 1) The threat of high inflation. 2) Money issue. 3) The growth rate of the dollar. 4) Investment climate in the industry. 5) Foreign economic systems and tendencies. 6) Common taxation issues. 7) Seasonality / weather effect. 8) Solvent demand. 9) End user needs. 10) Main external costs (Energy, Transport, and Communications). 11) Employment Dynamics.
Society	Technology
<ol style="list-style-type: none"> 1) Demography. 2) Changes in legislation affecting social factors. 3) Adoption of a new Labor Code. 4) The structure of income and expenses. 5) Core values. 6) Lifestyle trends. 7) Attitude to work and rest of the population. 8) Brand, company reputation and image. 9) Buyer behavior patterns. 10) Main events and factors of influence. 11) Opinions and attitude of consumers. 12) Media views. 13) Customer contact points. 14) Advertising and public relations. 	<ol style="list-style-type: none"> 1) Change and adaptation of new technologies. 2) Innovation potential in tourism sphere. 3) State technological policy. 4) Significant trends in the Research and Development sphere (R&D). 5) New tourist products. 6) Technological changes in the country. 7) New patents

To point out the main external factors by which Coral Travel, there are: economic competitive companies, downturn, and increase of competition on the market, legislative restrictions, changes of legislation and seasonality.

The first one is competitive companies. Every year, the competition in the advertising services market becomes stronger and need more resources for its effective implementation. There is a tendency for increasing competition on the tourism market, so new companies emerging every year and may influence on sales and outflow of clients [37].

If we talk about Coral Travel's main competitors, we need to analyze the competitors on the market. In 2019, the Ukrainian Association of Tourism Agencies conducted a survey among the directors and managers of travel agencies of Ukraine in which participated tour operators which have their own charter programs in the most popular areas.

9 tour operators were evaluated on 10 criteria in terms of convenience of cooperation for the agent (Table 2.4). It included such criteria as: fairness of the commission program (size and its scale), website (usability and speed), relevance of prices in selection and upon booking of tours, using of Promo Prices, confirmation of orders, evaluation of call-centers of operators (off hours), loyalty in resolving controversial issues, payment conditions for early booking, billing for payment. This rating expresses the attitude of travel agents towards different tour operator and their attractiveness for cooperation and partnership.

Table 2.4

Agent-friendly rating of major tour operators in Ukraine, 2019 [38]

Tour operator	Summary Score
Tez Tour	4,29
Join Up!	4.23
Pegas Touristik	4,13
Kompas	3,91
TUI	3,63
Coral Travel	3,58

Continuation of the Table 2.4

ALF	3,48
Anex Tour	3.33
TPG	3,21

It can be concluded that Coral Travel has a lot of competitors from the point of view of agents. Major competitors are: Tez Tour, Join UP, Pegas Touristik, Kompas and TUI. Such low results can be explained by the lack of support of the tourist agents by the tour operator in such fields as fairness of commissions for employees, pure technical abilities of the website for booking and low level of loyalty to agents in the cases of controversial situation appeared. However, it is important to analyze Coral Travel competition on the customer market and how it seems for the clients.

If tour agents choose other tour operators, it means that there will be an outflow of highly-competitive employees, which can influence positively on the quality of services provided and affect negatively on the quantity of product sales.

If we talking about customer friendly evaluation of tour operators, than there are such criteria for evaluation as: compliance with the charter program, flight postponements and delays, frequency of unsettlements at the booked hotels, evaluation of the guides work, order confirmation (bounce rate and frequency), best price guarantee for early booking, loyalty in resolving controversial issues (Table 2.5).

Table 2.5

Tourist-friendly rating of tour operators in Ukraine, 2019 [38]

Tour operator	Summary Score
Tez	4,36
Join Up!	4.16
Coral Travel	4,02
Kompas	3,93
TUI	3,87
ALF	3,69
Anex Tour	3,47

Join UP!	3.46
TPG	3,39

Cleary, Coral Travel is more competitive if we are talking about customer and clients; it takes third place on the list of best tour operators. The major competitors are: Join Up, Tez Tour and Kompas, which is really close in evaluation. It can be concluded that Coral Travel is highly competitive and can effectively change and manage its marketing policy according to the demands of the market and be successful in the field of tourism. The reason for this is competitive advantages of Coral Travel on the market.

Competitive advantages formed under the influence of various factors of effective usage of resources, capital, and high quality of work, advantages in management, marketing and other aspects of activity of tourist organization.

As a result of competition, often the cost advantages owned by tourism organizations go to competitors (reduced tour prices). To avoid such a situation, these organizations will have to increase the cost of competition (the development of new tours, the use of new technologies, new marketing measures). With a favorable market situation, when demand for tours exceeds supply and market access to new organizations is limited, the tourist organization can provide high profitability, even with an average level of management

- 1) the analysis of the industry using the Porter's five forces analysis gives an opportunity to determine the state of competition in the industry at the moment and on the long-term prospective [39]. The task of analyzing the development of the industry is to: predict the change of each five forces, taking into account the impact on these forces of the macro environment factors;
- 2) determine how changes affect other forces;
- 3) determine how dependent changes will affect the future profitability;

- 4) identify the position of the organization in the new conditions of profitability of the industry and with the actual strategy;
- 5) make an appropriate changes of the current strategy of the organization in accordance with the ongoing changes on the market

The assessment of each market power is carried out on a five-point scale (5 is a powerful force, 1 is a weak force). Let's look at the first criteria according to Porter's five forces. There are such points existing: threats of new entrants, power of competitors, power of buyers, threat of substitute products and services, power of suppliers.

The first one is threats of new entrants. It included such components as barriers for entry, brand loyalty, access to distributors, policy of government, requirements for the scale of capital and cumulative experience. The threat of new entrants is estimated at 5 points. It's quite easily to enter on market, and that is why there is a tendency for emerging of new companies, which can influence on the level of competition and so on.

The second one power is a threat of competitors and it also can be estimated on 5 points. Porter's model shows that the threat to Coral Travel is made up of competitors, suppliers, and buyers, and there is competition between existing firms, and there are available substitutes of tourism products. There are services of other travel companies that provide the widest range of tours, also on affordable prices and with the higher level of quality. As it was mentioned before, Coral Travel has such major competitors as: Join Up, Tez Tour, Kompas, Pegas Touristik, TUI, TPG, ALF, Anex Tour. All of those companies compete for its share on the market and can be call major players on the tourism market.

The third power is a threat associated with buyers. This can be estimated at 2 points, as Coral Travel adapts very quickly to consumer preferences and constantly monitors the market. Talking about target audience of Coral Travel's services it is people, who wants to obtain tourist services. There are people who are going to go to rest soon and searching for this opportunity through the press or via the Internet. Target audiences can be described as people who are searching for the best buy-

option for the future, but usually don't want to travel at the present time. These are men and women approximately 20–50 years old; with secondary and higher education; middle and higher income secured; both family with and without children. Thus, the product is always relevant to the consumer, and the prices correspond to the financial capabilities of potential customers. Coral Travel always tends to have a loyal pricing policy.

The fourth one power is a threat of operating of substitute services and products. The threat of replacement services is estimated at 4 points. I believe that the emergence of more affordable accommodation options that do not require a lengthy booking process from travel agents can be a real threat to the travel product. A good example is a service that has reduced the profitability of hotels and that is Airbnb. The possibility of the appearance of such services for a complete tourist product is extremely high.

The last but not least power is a threat connected to suppliers. I can evaluate that on 1 point. This is not a problem, especially for such well-known tour operators as Coral Travel. We can say that there is a well-functioning system of relations in organizing charter flights; flexible and long-term well-adjusted relations with hoteliers; as well as absence of difficulties in supplying tourism organizations with necessary materials, equipment and appropriate technologies for work. For the main suppliers of transportation services can be pointed out such airlines as: UIA (Ukrainian International Airlines), WindRose, Airarabia. Also there is a strong business relation with hotel chains of different classes: Voyage Hotels, Titanic House, Maxx Royal, Vogue House, Rixos, Comelia Hotels, Papillon Hotels Resorts and Spa, Mitsis.

We can say that there is a middle level of risks existing for Coral Travel on the market due to Porter's five powers analysis. The main threats are: competitors and their expansion on the market, appearance of new powerful entrants and development of the substitute services. It can be applied to the tourism industry as whole. The risks for tourism business activity were lower in the past, but Internet technologies changed it drastically. Now people tend to rent apartments, not to book hotels; people

tend to book their flights with the help of websites, which can find the better affordable option just in one click and tourists started to actively choose they own entertainment program for trip. It can be called substitute products in tourism sphere of our times [40].

However, if Coral Travel will continue to act like a flexible market participant, it can avoid a part of the risks. I think that it is possible to share more big part of the market, because it takes third place among major tour operators on the ratings from the point of view of customers. Coral Travel is able to be a strong competitor to other market players and expand the network.

Coral Travel's unique components for a successful business activity remain the company's policy of flexibility, openness to innovation, and responsiveness to the changes on the market, such as needs of customers, fluctuations of supply and demand, changes in the external environment and so on. Coral Travel has been meeting the needs of all customer categories since its inception. The ultimate goal of the company is making and implementing of every tourist product needed.

Tour operators offer a reasonable and affordable price policy, and that fact highly boosts its competitiveness on the market, create a real competitive advantage amongst tour operators in the field of mass tourism.

In order to understand opportunities, strength, threats and weaknesses, the analysis of external and internal environment should be conducted to sum it up. It can be made with the help of SWOT-analysis of the company, where there will be described different factors, which can influence on the working process of the company, its effectiveness and level of prosperity (Annex A). Also, SWOT-analysis of Coral Travel agency should be conducted (Annex B). It closely connected upon decisions of tour operator, and it is more vulnerable to changes due to its small size. Tour agency is a subordinate of tour operator, so it suffers from the same threats.

Obviously, opportunities and strengths overbalance threats and weakness to the Coral Travel operation. It can be seen that most threats connected to the global changes, because of social nature of tourism industry as a whole. However, Coral

Travel has a lot of directions, in which it can develop and grown up on the market, bringing new services and products.

2.3. Internal environment of Coral Travel and its indicators

For the more deep analysis, it is important to conduct an analysis of the internal environment of Coral Travel Tour Operator. It should be mentioned, that the place of my practice it is a Coral Travel tour agency, which work like a private entrepreneur of the second group. So, tour agency closely connected to the tour operator, it can be said that tour agency it is a representative of operator services and products. Franchise-based travel agencies follow the policies of the tour operator and operate under its authority. If we talk about the implementation of corporate social responsibility, which was the topic of my research, it is directly developed by the travel operator and implemented, which can also influence the staff of travel agencies in the implementation of CSR.

Now let's point out main statements of Coral Travel in its working process. Coral Travel's mission is to maximize the creation of a fair tourism market, where all of the participants may feel mutual trust and respect. The ultimate goal of the company is to make good-quality tourism products accessible to all Ukrainians.

- 1) the main goal of Coral Travel is to further increase the efficiency of the company and its competitiveness on the market, which is implemented in such areas:
manage image on the market and create a strong loyalty program to the company's product and conducting measures to further increase recognition of Coral Travel's brand;
- 2) improving the financial performance of the company due to higher sales and differentiation of tourism products, monitoring of the current state of the market and operational adjustment of plans;
- 3) improving of management system through effective planning and adjust the accuracy of forecasts of performance;

- 4) work to the highest world standards, the introduction of innovative tourism technologies.

Coral Travel's future plans include increasing the share held by the company on the market, expanding the business by improving the quality, developing new directions and expanding the range of services provided. The company's specialists carefully study the market and predict further directions for the development of demand. Long-term plans and plans for the next 3, 5 and 10 years are constantly updated and supplemented taking into account the analysis of trends in the world tourism market and international politics.

Coral Travel aims to consolidate its leadership position as a leading Ukrainian tour operator and increase the market share occupied by the company while improving the quality of the proposed tour product, as well as further introducing innovative technologies without which the dynamic development of the modern tourist industry is impossible. The company has become an example for many Ukrainian travel agencies that adopt the experience of Coral Travel. This, in turn, is an incentive for the further development of the company.

The company intends to help enhance the prestige of the Ukrainian tourism industry, establish fair competition and relations between market participants. Speaking for the creation of a fair tourism market in Ukraine, the Coral Travel leadership understands that this is impossible without the economic development of the state. The company is actively involved in the economic and social life of the country. The company's management makes an active contribution to the implementation of state programs in the field of tourism.

The company pays great attention to the quality management system and human resources. There are a lot of webinars and trainings conducted in order to increase qualification and effectiveness of personnel. Here you can see the organizational structure of Coral Travel Tour operator (Figure 2.5). It will reflect the internal structure of the team, how it depends on each other and which kind of division exist.

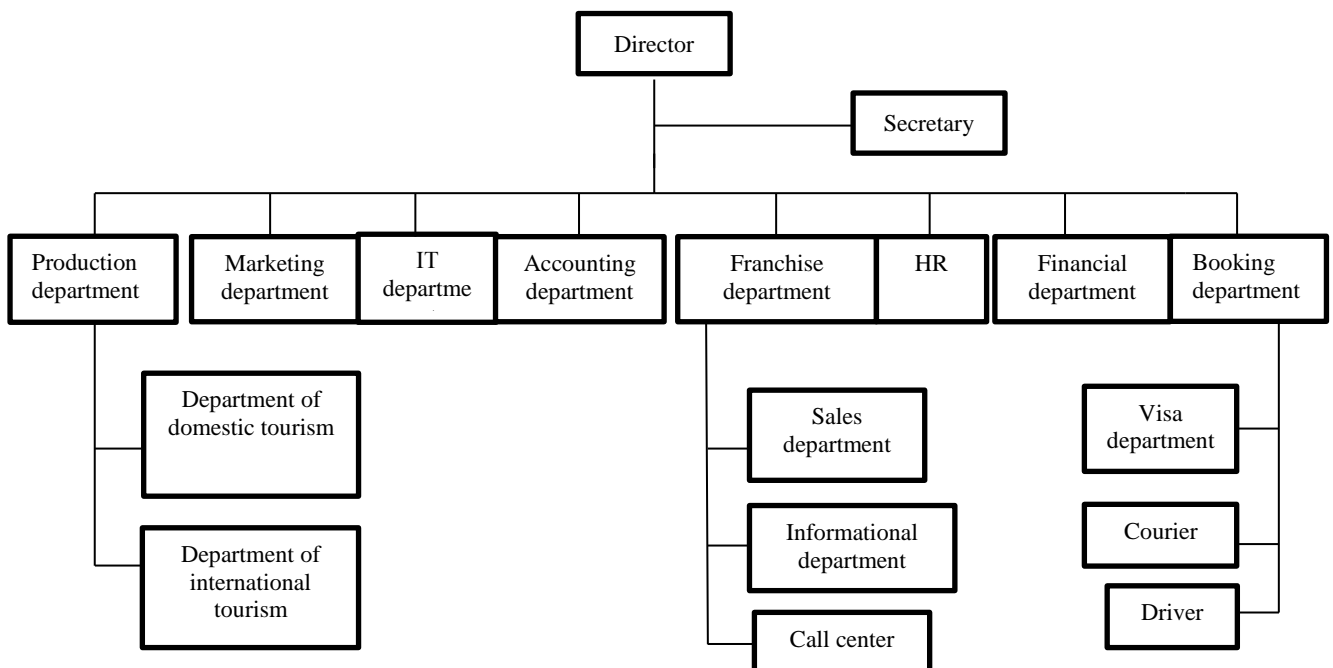


Figure 2.5 The organizational structure of Coral Travel Tour operator

This organizational structure is a traditional linear-functional management structure, with shows a lot of vertical ties, reflecting the corresponding functional relationships that have developed in the organization. It reflects the main activities of the company (domestic and international tourism) and the company's focus on certain activities, such as booking department, marketing department and franchise department.

It can be concluded that Coral Travel tended to increase the efficiency of performance and expand on the market with the help of franchise policy.

The personnel management system represents the general direction of personnel work, a set of principles, methods, forms, an organizational mechanism for developing goals and objectives aimed at maintaining, strengthening and developing personnel potential, creating a qualified team, capable of timely response to constantly changing market requirements, taking into account the development strategy of the company and personnel management strategy.

The corporate ethics of the company is based on a combination of a team approach to accomplishing the tasks set with the professionalism and creative initiative of each individual employee, as well as mandatory decency and responsibility towards all business participants and customers. The success of the Coral Travel brand is based on high professionalism and a creative approach to the work of the company's employees. This helps the company to improve and move forward.

The purpose of the personnel policy of the Coral Travel is to ensure timely updating and preservation of the quantitative and qualitative composition of personnel and its development in accordance with the needs of the company and with the requirements of the current legislation, the state of the labor market, which is achieved through the reasonable formation of the personnel policy.

Coral Travel adheres to a preventive personnel strategy; the management has reasonable forecasts for the development of the personnel situation. The specialist in personnel matters has not only the means of check-in and control personnel, but also forecasting the situation with human resources for the medium term. The organization's development programs are forecasted, which contain short-term and medium-term forecasts of the need for personnel, both qualitative and quantitative, and the tasks for staff development are formulated. The personnel policy of Coral Travel is based on the following management methods: administrative, economic, sociological and psychological management methods.

So, let's analyze it closely, according to data on the enterprise. The table below represents departments, their main functions and responsibilities in the working process of enterprise (Annex C). At all, there are 112 workers on the enterprise to the start of reporting period in 2019.

We can see that there are special roles, pointed out for each department and the clear division of responsibilities on the enterprise.

Booking department is responsible for issuing tickets, also booking hotels, flights and so on. Also, a division of this department deals with visa issues, which is quite logical, since visa issues are directly related to bookings to foreign countries.

Franchise department mostly deals with tour agents and their information about specific working questions and support in controversial issues. So, the units of franchise department includes: call center, informational department and sales department. It's also a simple and logical division of responsibilities. A large part of volume from sales comes from tour agencies, so it's needed to control their performance and plans. It has the most employees in it due to the scale of working responsibilities.

Marketing department it's one of the most important amongst departments of all. It can be described like a department with leading functions, because it can influence on the increase of income and deal with promotional activity.

HR department is responsible for the training of qualified team, as well as for the stability of personnel effectiveness and performance of personnel duties. This department formed a Coral Travel's team.

Financing department mostly deals with investments, calculations of financial results and so on. Accounting department is dealing with contracts, accounting reports and sheets. IT department supports other departments from the technical side, so it helps to make work uninterrupted.

Production department is responsible for the tour product creation. So, this department create tours for different directions and actually responsible for the quality of products produced.

Now let's look closely to the movement of labor resources and analyze it with the help of indicators of disposal rate, employees turnover rate and reception turnover ratio. It based on the indicators of labor resources of 2018 and 2019 years (Table 2.6).

Table 2.6

Movement of labor resources

Indicator	Year		Absolute deviation (+ -)	Relevant deviation (%)
	2018	2019		
1	2	3	4	5

Accounting numbers at the beginning of the reporting period, persons	120	117	- 3	- 2,5
Accepted employees, individuals	5	4	- 1	- 20,0

Continuation of the Table 2.6

Fired employees, in total, persons:	8	6	- 2	- 25,0
- due to downsizing	2	1	- 1	- 50,0
- at will, dismissed for absenteeism and other violations of work discipline, inconsistency	6	5	- 1	- 16,7
Accounting number of employees at the end of the reporting period,	117	115	- 2	- 1,7
Average number of employees, persons	119	116	- 3	- 2,5
Reception turnover ratio	0,04	0,03	-	-
Disposal rate	0,07	0,05	-	-
Staff turnover rate	0,05	0,04	-	-

We can say that most part of dismissed people is being dismissed at their own will or due to violations of work requirements. In 2018 the number of fired employees was equal to 8 people, 6 of them not because of downsizing of personnel, but because of the specific reasons. It may be sign of that the company rarely has reductions connecting to staff and has a stability for personnel.

We can say that reception turnover rate is not that great. In 2018 it was 0,04 and in 2019 it reduced to 0,03. Reception turnover ratio is determined by the ratio of the number of received personnel for a certain period to the average number of employees. This may indicate that the work headquarters is expanding poorly. The reason for this may be large requirements for new employees, which the company

puts forward, or the presence of an established team, which doesn't need new specialists.

Disposal rate shows tendencies connecting to fired employees. Disposal rate is determined by the ratio of the number of dismissed employees to the average number of employees. We can see that this indicator decrease in 2019, comparing to 2018. In 2019 it was 0,05, while in 2018 it was equal to 0,07. It may be concluded that number of fired workers decrease.

Now let's look at staff turnover rate. The staff turnover rate is an indicator that indicates the percentage of the number of dismissed employees to the average number of people in the company when calculating for a certain period. It also shows a decrease in the numbers, comparing to 2018 year. In 2019 disposal rate became 0,04. This is a very important indicator, because it reflects how the movement of personnel occurs. If the staff turnover is very large, then this indicates a lack of management, or a poor organization of the work process, as well as poor working conditions. However, here we can talk about a positive trend in turnover of employees.

When it was concluded that Coral Travel has certain problems, connected to labor resources movement, such as lack of new accepted employees and absence of expanding of staff, the analysis of main economic indicators should be conducted (tab.2.7).

Table 2.7

Analysis of the main economic indicators of activity of Coral Travel tour operator, thousand UAH

№	Indicators	2018	2019	Deviation	
				(+ -)	%
1	Net income from sales	17106	27346	10240	59,86
2	Cost of sales	8945	14635	5690	63,61
3	Gross profit	8161	12711	4550	55,75
4	Other operating income	1374	2750	1376	100,15
5	Administrative expenses	431	653	222	51,51

6	Sales costs	4363	5216	853	19,55
7	Other operating expenses	379	506	127	33,51
8	Financial results from operating activities: profit	4362	9086	4724	108,29
9	Income from participation in capital	0	0	0	0
10	Other financial income	93	390	297	319,35
11	Other income	0	0	0	0
12	Financial expenses	458	165	-293	-63,97

Continuation of the Table 2.7

13	Other expenses	0	0	0	0
14	Financial results from ordinary activities before tax: profit	3997	9311	5314	132,95
15	Income tax on ordinary activities	720	1676	956	132,78
16	Net profit	3227	7635	4408	136,59
17	Return on sales (ROS), %	18,86	27,92	9,06	48,04

We can see that analysis of the main economic indicators of activity shows that enterprise has an opportunity to implement new activities and has financial resources for such an activity.

It can be seen that in reporting period 2019, net income from sales is 27346 thousands UAH. It shows an increase, comparing to 2018, which is equal to 10240 thousands UAH or 59,86 %. The increase in the volume of goods and services provided has a positive effect on the financial position of the enterprise, increasing its market share.

In 2019 the cost of sales was equal to 14635 thousands UAH. There is also an increase number, comparing to previous period, and the absolute deviations equals to 5690 thousand UAH or 63,61%. It is not a positive tendency, because the increase of the cost of production exceeds the increase of income and it indicates that the company has less money to spend on other expenses.

In 2019 gross profit equaled to 14635 thousand UAH and shows an increase, comparing to previous period. The deviation equals to 5690 or 63, 6%. In the general case, the positive value of the gross profit indicates effective control over the cost of production. The reverse phenomenon means the excess of cost over revenues from the sale of goods and services of the enterprise.

Thus, in 2019 numbers for other operating income equals for 2750 thousands UAH and it exceeds indicator of 2018 on 1376 thousand UAH or 100%. The positive value of the indicator indicates the effective core activity of the enterprise that is able to generate profit. A negative metric means low operational efficiency.

In 2019 administrative expenses was equal to 653 thousands UAH. We can see that this result exceeds indicator of previous period on 222 thousands UAH or 51,5%.

In reporting period, sales costs equals to 5216 thousands UAH, while in 2018 it was 4364 thousands. It can be concluded that deviation is equal to 853 thousands UAH or 19,5% of increase. Sales costs are essential to promote products and increase sales, so it shows a positive tendency, connected with promotional activity.

As for 2018 and 2019 years, income from the participation in the capital is equal to 0 thousand UAH. It is obvious that the enterprise does not receive profit from investing financial resources in securities.

In 2019 other financial income increased, comparing with 2018 indicators on 319,35%. It shows a real positive tendency to accumulate income from the economic activity of the enterprise. Also, financial expenses for 2019 reduced, comparing to 2018. In 2019 it was 165 thousand UAH, which means that financial expenses reduced on almost 64%, comparing to 2018 numbers.

And we can say that 2019 and 2018 years were profitable, with increasing return on sales for 48% in 2019.

After we analyzed main economic indicators of enterprise, let's look closely on the marketing strategy of Coral Travel. Marketing activity in the sphere of tourism today is the most relevant branch of commercial activity of the enterprise and it developing dynamically. The current level of market saturation does not allow to reach the desired level of sales without informational support of own products. Even the best product with excellent performance cannot have a sufficient level of competitiveness without recognition of product of brand [41]. Therefore, the relevance of marketing in the tourism sector is not in doubt, it's playing a key role in the development of a market economy.

Coral travel uses a strategy for effective marketing activity. Mostly, it connected to promotion through the Internet, where target audience may be founded. The main feature of the marketing strategy of Coral Travel is that it focuses on "understanding the customer", individual needs of clients and financial capabilities.

The process of marketing in Coral Travel begins with an analysis of market opportunities. This task is solved by conducting a complex of marketing research and monitoring. As a result it helps to analyze the baseline situation and give specific recommendations to determine the prospects of the activities, taking into account the most attractive areas of investment. On the basis of comparison of the identified market opportunities with the goals and resources of the enterprise, its marketing opportunities are distinguished [42].

Identifying marketing opportunities allows choosing the most promising target markets for the company. This approach allows not scattering marketing efforts across the entire market, but to focus on meeting the needs of selected customer groups that are served by the company and can bring benefits.

Let's use 4P (Price, Product, Place, Promotional) concept to understand it fully [43].

Price can be used as a marketing tool and it works in the case of Coral Travel. Coral Travel well-known for its loyal price policy, discounts and promo. It attracts people with low-prices for a high-quality product and helps to make stable profit.

Product defines quality of services, brand and image. Coral Travel provides clients with good services and products, which correlate with a price. It mostly focuses on mass tourism, so it's the most profitable decision, like: Turkey and Egypt.

Place depends on the particular agency, not only on the tour operator. But a main part of agencies located in shopping malls, because it helps to bring more profit for agents and tour operator. Tour operator also motivates employees, which work on franchise to choose places in shopping malls.

Promotional marketing tool includes different methods of influence on clients' decision. So, it can be said, that Coral Travel tend to use digital marketing, which include such parts: web design, video production, social media, content marketing,

branding, SEM (Search Engine Marketing), SEO (Search Engine Optimization), email marketing, and even app development [44]. The proper usage of different combinations of such instruments helps to achieve positive results. Mostly, Coral Travel uses Google Search for target advertisement and also Facebook social media.

Now we need to sum up all the information, which was mentioned before with the help of SPACE analysis.

SPACE analysis or Strategic Positioning and Action Evaluation Matrix can be used to determine the most appropriate strategic position for a company as well as its individual areas of activity [45]. In reality, it is a tool that helps an organization evaluate the overall attractiveness of the manufacturing industry in which it operates, as well as its ability to compete on the market.

In the SPACE matrix, each part is considered to be composed of different parts or elements that must be evaluated separately. The main point here is that by incorporating a large number of factors into the analysis, it can study specific strategic attractiveness from various points of view. The methodology is based on the analysis of the position of the company and the conditions of its functioning according to four basic criteria: competitive advantages of the company, financial state of the company, attractiveness of the field and stability of the economic environment.

We used such criteria for evaluation of the state of Coral Travel Tour Operator (tab.2.8).

Table 2.8

Criteria for SPACE analysis of Coral Travel Tour Operator

<i>Criteria</i>	<i>Estimation</i>	<i>Weight</i>	<i>Major estimation</i>
<i>Power</i>			
Fee from franchise	4	0,4	1,6
Financial autonomy	4	0,3	1,2
Level of solvency	3	0,2	0,6
Minimalization of risks	3	0,5	1,5
<i>Main</i>			6

<i>Competition</i>			
Uniqueness of the product	3	0,4	1,2
Branches	5	0,4	2
Share of the market	4	0,3	1,2

Continuation of the Table 2.8

Price policy	5	0,2	1
Other activity	1	0,4	0,4
<i>Main</i>			5,8
<i>Attractivness of the field</i>			
Level of profit	3	0,3	0,9
Expanding on the market	5	0,5	2,5
Creation of a full circle tourism product	5	0,5	2,5
<i>Main</i>			5,9
<i>Stability</i>			
Stability of the earnings	3	0,5	1,5
Solvency of the clients	4	0,4	1,6
Level of development of innovation activity	1	0,2	0,2
<i>Main</i>			3,3

After calculations, I can point out the main strategy for development, which can work in the particular conditions for the better. I can say that it is an aggressive strategy. An aggressive strategy is more suitable for financially stable companies that have advantages in a growing industry. The main actions while using this strategy aimed at expanding production, services and sales, economic war with competitors, the development of new market segments and really broad brand promotion [46]. A milestone factor in such strategy is the ability to effectively cope with the emergence of new competitors. There are such recommendations on choosing aggressive position:

- 1) increase in market share;
- 2) creation of the strong and competitive image;
- 3) the concentration of resources on products that provide the greatest advantage over competitors;
- 4) exploration of different alternatives, which can be used as a competitive advantage;

5) flexible decentralized control over franchise system with economic incentive for successful entrepreneurs.

We can say that Coral Travel stand for aggressive strategy even now, because of the highly competitive environment in the field of tourism product and services, and saturated market (fig.2.6). It can be concluded that Coral Travel Tour Operator choose the most appropriate strategy for its development and positioned itself in the right way on the market.

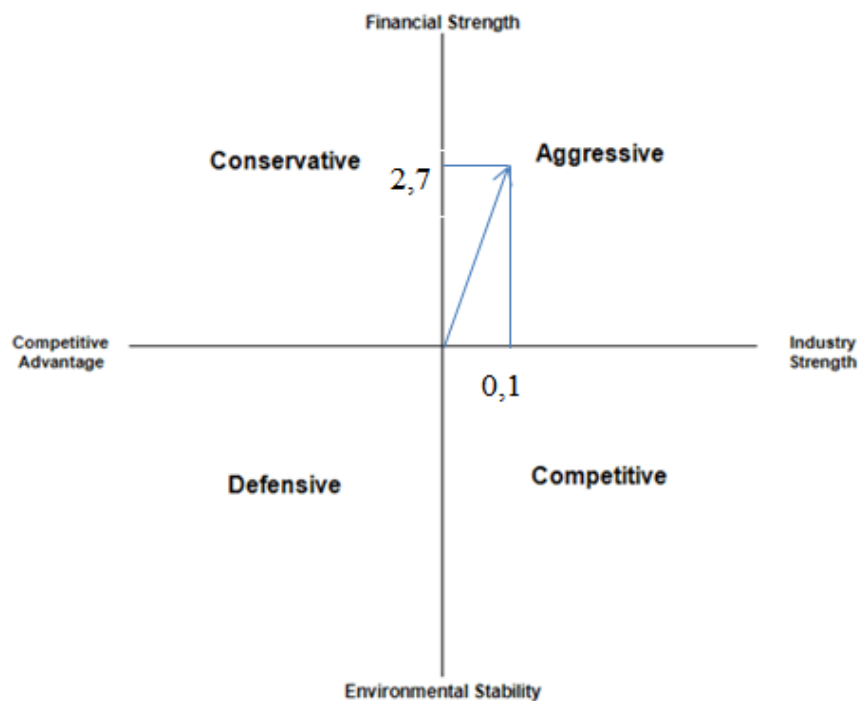


Figure 2.6 SPACE analysis of Coral Travel Tour Operator

It should be noted that for Coral Travel tour agency has more conservative positioning, due to its small size. Also, it closely connected to the policy of tour operator decisions and could not make it by itself. It is worth discussing what exactly can become a competitive advantage of Coral Travel. As previously mentioned, Coral Travel is actively creating the image of a reliable and transparent brand that is loyal to the consumer and also stands for a fair market, which can form trustful relations between stakeholders, clients and workers.

Creation of the social responsible attitude can form conditions for more sustainable development of the enterprise and point out tour operator on the market.

Also, company may be involved more actively in economic and social life of the society and increase its recognition through such an activity. The company management may actively participate in the implementation of federal programs in the field of development of domestic tourism, and as a consequence accumulate more income and thus increase both its own image and the prestige of domestic tourism [47]. It also creates a favorable condition for the development of local community.

The company needs to practice in implementation of quality approach and responsible attitude to its own services and products. This means quality in everything from the product on offer to the work of all Coral Travel divisions. Comprehensive quality control of all components of the tour product should be carried out at each stage of its formation, promotion and implementation. Relations with partners should be based on the principles of openness and fairness, without which it is impossible to build a successful business.

The company needs to clearly understand its responsibility to society as a whole. Numerous charity campaigns should be done in order to attract attention of population. It should be noted that TUI tour operator successfully implemented Corporate Social Responsibility approach, which help to build a strong brand and it influence positively on its economic indicators as well. For example, TUI green excursions, which promoted authentic and responsible holidays, grew 15% year over year. In 2018, approximately 1.2 million TUI green tours were conducted, and from 2015 there were 3.5 million. Each tour meets certain sustainability criteria to minimize environmental impact and show benefits to local people.

In the next section, we will discuss in more detail the possibilities of introducing CSR policy, its impact and perspectives on Coral Travel. It is worth noting that Coral Travel has already held charitable campaigns for vulnerable groups of the population, such as war veterans and orphans, which can be called the first steps towards forming a corporate social responsibility policy. In the field of tourism, corporate social responsibility is not always manifested in a strategic approach, but often like one-time events. This is because CSR practices are not widespread at

Ukrainian enterprises, they are often used at large enterprises, whose effect on the environment and society is stronger and more visible.

Conclusions of the second part

In this work, the company Coral Travel, which is a tour operator with a franchise network of travel agencies, was reviewed. Coral Travel is one of the main tourist operators of Ukraine, which have been operating on the market for more than 20 years.

Coral Travel, like other tourism companies, may soon face a crisis in the tourism sector due to COVID19, which is caused by a sharp decrease in the number of flights, restrictions on the movement of people, closure of borders in many states, as well as restrictions posed on certain type of economic activities.

Coral Travel is a competitive player in the Ukrainian tourism market due to its loyal pricing policy and work with mass tourism destinations, such as Turkey, Egypt and Thailand. Coral Travel has a large market share, with a developed network of travel agent intermediaries. However, Coral Travel must continue to expansion of the market, as the tourism industry in Ukraine is competitive and new entrants to the market can change positions of old participants. Among the main competitors we can distinguish such tour operators as: Join Up, Tez Tour, Anex Tour, Kompas, Pegas Touristik, TPG, TUI, ALF.

The most acceptable strategy for developing and positioning itself on the market, Coral Travel is suitable for an aggressive policy due to the saturation of the market, as well as competition. To increase competitiveness, such measures as expanding the franchise network, creating new segments in the market, improving products and services, creating a stronger brand, and also an economic war with competitors in the field of price policy can be taken.

Speaking about the development opportunities and advantages of Coral Travel, it can be argued that the tour operator is able to expand its network in the market, as

well as increase its income by attracting a new audience, expanding products, developing new market segments, and searching for partners for the tour operator. Coral Travel has the opportunity to create a strong and loyal brand that will stand out on the market with a responsible approach to the development of its own product, as well as responsible attitude to society.

If we are talking about threats and risks for Coral Travel, it is worth noting the social threats that the tourism sector may suffer from: climate change, political instability, unpredictable catastrophes or social unrest. Also, economic factors can greatly affect the activities of the tour operator, such as: currency fluctuations, lower income levels of the population, changes in the taxation of activities and so on.

CHAPTER 3. DEVELOPMENT OF COMPETITIVE CSR POLICY FOR CORAL TRAVEL TOUR OPERATOR

3.1. Key principles in the implementation of corporate social responsibility policy

As mentioned earlier, Coral Travel is very competitive on the market, as shown by the ratings of the Ukrainian Association of Travel Agents. However, the network can develop further and expand on the market. Coral Travel must adhere to an aggressive strategy on the market due to the severe competition and market saturation.

To do this, some measures must be taken that could create competitive advantages among other market participants. Since Coral Travel differs in that it has high customer loyalty, as well as a loyal pricing policy and brand recognition, it is possible to strengthen the image with the help of corporate social responsibility. Also, following positive sides in the implementation of CSR in business activity can be highlighted:

- 1) Costs may be reduced (by reducing production or processing waste, increasing energy efficiency, etc.)
- 2) Improving the quality of the product.
- 3) Brand and reputation are improving, which helps to develop and open up new markets and lines of business.
- 4) Companies gain access to socially responsible investments, the distribution of which takes into account indicators in the social, ethical and environmental spheres.
- 5) Increases customer loyalty.
- 6) There are more opportunities to attract and retain employees.
- 7) Claims by regulatory authorities are reduced.
- 8) Improving risk management.
- 9) Competitiveness is growing.

Corporate social responsibility is a concept that reflects the voluntary decision of companies to participate in improving society and protecting the environment. Corporate responsibility may include the following guidelines:

- 1) Production of quality products and services for consumers;
- 2) Creation of attractive jobs, payment of legal salaries and investments in human development;
- 3) Strict compliance with legal requirements (tax, labor, environmental, etc.);
- 4) Building good faith relationships with all interested parties;
- 5) Effective business management, focused on the growth of well-being of its shareholders;
- 6) Consideration of public expectations and generally accepted ethical standards in business practices;
- 7) Contribution to the formation of civil society through partnership programs and community development projects.

It is worth noting that partially corporate social responsibility is present at some tourism enterprises, but for the most part it is expressed in unsystematic charity events. But Corporate Social Responsibility is a whole system. CSR is, on the one hand, contributing to the sustainable development of a country, region, and contribution to the development of society, solving environmental problems, and on the other hand, developing of business, bringing it to a brand new level. Coral Travel also has charity events aimed at vulnerable groups such as orphans and war veterans. However, to improve the image, it is necessary to create a full-fledged corporate social responsibility, which is created by the tourism operator as an enterprise policy.

The relevance of the topic is that such a tool as CSR is increasingly becoming part of the strategy of most modern and successful companies around the world. This is a new lever for managing competitiveness, image, and demand for company's products. In addition, humanity every year also becomes more responsible, the concept of sustainable development is gaining popularity, and business should contribute to its development.

Increased competition on the market, constant crises, uncertainty, and the change of economic centers and the emergence of new leaders forward new demands for business. Entrepreneurs are looking for new ways out of this predicament. Ukraine is a country with a developing economy; therefore, business is only on the way to its formation. Many mechanisms taken from past experience are long outdated, and in order to stay on the positions, entrepreneurs must constantly innovate and develop new principles for running their business. One of the completely new tools for Ukrainian realities is the introduction of corporate social responsibility.

Corporate Social Responsibility consists of the implementation of projects and activities aimed at improving or adjusting different elements of the internal and external environment of the enterprise. It is an appropriate way to reduce some risks, connecting with enterprise's activity and create more suitable conditions for following successful functioning.

Ukrainian business has not yet switched to a more systematic use of CSR initiatives, since the principles of the CSR are not legislatively pointer put, as there are no state generally accepted reporting forms and main recommendations, this somewhat complicates the holistic implementation of the CSR on the Ukrainian enterprises. In order to develop and implement CSR at a Ukrainian enterprise, company need to coordinate it with its development model and market situation. In this regard, an analysis of the capabilities and resources of the enterprise should be carried out, to consider the experience of foreign companies that have succeeded in CSR implementation and the experience of other companies in the tourism industry. Based on the data obtained, the main areas in which the company can develop CSR initiatives should be highlighted. A competitive CSR system should not only indicate profit maximization, but also take on the role of responsibility, which consists in creating appropriate working conditions for employees, enriching human capital and serving the community. CSR is primarily creative, verified and rational management decisions that are made on the voluntary base.

Among successful examples of CSR implementation among international tour companies can there are LOGOS TOURS, TUI, Tribes Travel, Gulliver Travel, Globtour, Vanilla Travel, S-Cape Travel.

If we take into account the experience of leading companies that have succeeded in implementing CSR in the enterprise, then there are such components for efficient work:

- 1) the presence of corporate goals (they must be consistent with the tasks and goals of social development, even if changes of the mission, system and structure of enterprise management should be conducted);
- 2) identification of needs (analysis of the requirements of society was carried out in order to determine main benchmarks);
- 3) assessment (enterprises should be able to measure the effectiveness of the initiatives taken and their impact on the medium and long-term level);
- 4) the presence of partners (the company must find partners in the field of CSR, it can be charitable foundations, public organizations, society as a whole for coordination of common efforts in the field of CSR);
- 5) the creation of a structure that stimulates the maintenance of CSR (the creation of separate structures within the enterprise responsible for CSR, or the creation of a special fund).

Firstly, company need to interact with key stakeholders in order to choose the most necessary areas of activity in the field of corporate social responsibility, as well as learn about the most powerful source of negative influence of the company. Coral Travel known for its loyal customers, which means that tour operator, can understand needs and wants of its clients and marketing researches are effective.

Second step, is the analysis of the available resources. Coral Travel tour operator has additional finance for the implementation of new initiatives according to 2019 results. 2018 and 2019 year's shows profitability, when increasing return on sales equals to 48% in 2019. So, Coral Travel has a capacity and financial abilities to invest in the development of CSR policy.

Third step is the analysis of market situation in order to understand if it is a need to use CSR in such conditions. It can be clearly said that situation on the market pushes market participants to the obtaining of competitive advantages due to the harsh competition. It can say that choosing such strategy may be profitable and bring benefits to the enterprise. It may also be described as a form of risk-management which also contributes to the development of business.

In order to get the most convenient methods for measuring the effectiveness of corporate social responsibility in the tourism sector, request to the Tourism Foundation can be made.

It's important to clarify main problems, which are appeared from the activity of tour operator and agencies:

- 1) pollution by sewage and garbage because of the flows of tourists;
- 2) noise pollution and emissions of air transport;
- 3) erosion of the shore due to the removal of dunes and alignment of coastal surfaces;
- 4) excessive use of natural areas (forests, mountainsides, lakes);
- 5) destruction of natural areas for tourism;
- 6) disruption of natural connections in the chain: air, water, the earth's surface and living organisms;
- 7) negative impact on local culture;
- 8) loss of historical and architectural heritage;
- 9) one-time increase in population density in recreational areas;
- 10) exacerbation of socio-economic tension;
- 11) Violation of labor codes.

It can be said that the main spheres, where damages is done are transportation system, damage caused by accommodation sites, sphere of labor resources, destroying of local wellbeing. Most of the destructive factors connected to the providers of services for tour products, such as airlines, cruise companies, hotel chains, and transport companies. And the only decision of such problems is the right

chooses of tour operator partners and encouraging partners to engage in the implementation of corporate social responsibility.

It is also worth creating a separate eco-product for customers who are also responsible for their trips and concerned about the environment. It may attract new customers, interested in such topics and potentially those clients may return and become constant consumers of tour product. In this case, you can find new partners to create a line of new products that adhere to the same CSR strategy and in the future can help move in the chosen direction. Since hotels, cruise companies and airlines are more actively involved in the implementation of CSR (since their impact on the environment and society is more regulated) than travel operators and agencies, the opportunity to find the most suitable partners is possible and achievable task.

The main principles of Coral Travel should be pointed out, which can shortly represent the core idea of CSR implementation, and can be presented to the clients and to the society.

1) Tread lightly. Coral Travel has a high control over its activity. Coral Travel cares about the future of the planet and society, so it reflects about the consequences of its activities. So the clear beginning point for corporate social responsibility initiative is to diminish the natural effect of operations. Coral Travel will work with Europe's most carbon-efficient airlines and diminish the carbon escalated because of tour operations.

2) Be extraordinary. Coral Travel's products and services are the extraordinary and exceptional, which can be conveyed for its clients. In spite of the fact that numerous of available accommodations and trips are overseen by accomplices and providers, Coral Travel will still apply a solid impact over the supportability impacts of tour products. Coral Travel will provide more green and ecological trips and empowering more nearby individuals to share within the benefits of tourism.

3) Become a leader. Coral Travel accepts opportunity to utilize its impact to drive sustainability all through travel and tourism. Company need to be at the bleeding edge of development in Ukrainian tourism, and to spread information about responsibility in tourism all through industry and beyond. Coral Travel will

contribute to enhance the positive impacts of tourism, making Coral Travel a responsible participant on the tourism market.

4) Express caring attitude. Coral Travel will contribute to the human capital development, connecting with tourism employment. It will create better condition for workers and encourage young generation to be involved in tourism industry.

5) Think about the country. Company stands for improving image and prestige of the inbound and domestic tourism; actively participate in the development of the Ukrainian tourism. The challenge is bring its benefit to the society. Now it can be seen on the Table 3.1, where all of the core principles are located, and main steps are reflected.

Table 3.1

Core principles of Coral Travel CSR [resource: own compilation]

Tread lightly	Be extraordinary	Become a leader	Express caring attitude	Think about the country
Choosing upon flights without stopovers and finding airlines partners with reduction carbon emission policy	Provide only high-quality products which stands for international standards ISO 9001	Participate in events, connecting to the corporate social responsibility in Ukraine and spread information about its features for the society	Increase staff quantity for expansion of the enterprise	Conduct honest and transparent business based on compliance with the norms and standards enshrined in the legislation
Stand for energy management in office	Create eco-trips with reduced negative influence	Connect with foundation and other enterprises for partnership in the field of CSR	Create appropriate conditions for employees	Create tourism products that are aimed at domestic tourism, as well as inbound tourism

Continuation of the Table 3.1.1

Cooperate with partners for green accommodation	Create respectful, fair and trustful relations with all participants (clients, agents, partners and workers)	Encourage staff to be responsible on the personal level	Participate in the events for development of human capital and increase personnel qualification	Actively participate in enhancing the prestige of Ukrainian tourism, thereby stimulating its growth
Conduct conversations with tourists, aimed at informing on how they can reduce their impact on the environment while traveling	Implementation of sustainable excursions	Sponsorship and Invest in charity	Invest in the encouragement of young talents in the tourism sphere	Creation of Coral Travel Fund

3.2. Evaluation of the CSR implementation effectiveness for the enterprise

It's a need to clarify each milestone of the CSR system and analyze an ability to implement such kinds of activity.

Let's start with "Tread lightly" principle. It represents a responsible attitude, directed on reduction of negative influence, done by tour operator business activity. It includes such directions: reduction of negative consequences from transportation by airlines by choosing more social responsible airlines for tourists where it's possible and exclude numbers of stopover trips, diminish usage of paper in offices of Coral Travel, find partners in the area of greener and more ecological accommodation services, informational activity aimed at tourists in order to give them advice about sustainable tourism and how they can make their own trip-behavior better.

Air transport on the one hand benefits people and on the other hand pollutes the environment. Due to its technological specifics, harmful emissions from aircraft settle much faster in the atmosphere and spread in it, therefore protecting the environment from the negative effects of air transport is relevant around the world. Also, the operation of large aircraft with powerful turbojet and turboprop engines, an increase in the intensity of their flights, the growth of the fleet, and the expansion of the scope of application of civil crafts lead to a significant level of noise in the vicinity of airports and territories under airways.

Coral Travel's air partners are mostly UIA, AirArabia, Wind Rose, and Turkish Airlines. None of these airlines uses CSR as a strategy for their development; however, they have some initiatives aimed at developing local communities, as well as at charity. However, environmental issues are practically not controlled in any way and this is a big minus for such well-known airlines.

It is worth noting that even such low-cost and affordable airlines like Wizz Air have CSR initiatives aimed at reducing carbon emissions, as well as improving the quality of jet fuel. Also Wizz Air stands for cancellation of business class due to its lack of places of passengers and so fewer people who get transported. Wizz Air operates in Ukraine and can be considered as a potential partner of a tour operator. Airlines fly to many European countries, so they can cover a certain number of popular destinations. It is also worth looking for other partners who provide air travel and expand their partnerships. If you find partner airlines with sustainable development and CSR policies, then you can carry out various kinds of initiatives in cooperation and develop in one direction.

It is important to make an estimation of responsibility to the environment for different airlines, using qualitative approach. 10 points stand for great and responsible attitude to flights, with usage of new technologies to reduce carbon emissions and other innovations connected to diminishing of negative influence caused by air transport. 1 point stands for the poor responsibility, lack of environmental policy and disregard for international standards. Results of evaluation are described in the Table 3.2.

Estimation of environmental policies of different airlines [resource: own compilation]

Airlines	Estimation of environmental policy	Description of policy
UIA	3	electronic documentation; stopped using plastic cards for loyalty programs
Wind Rose	1	absence of ecological initiatives
AirArabia	4	uses brand new aircraft in the fleet to reduce carbon emissions
Wizz Air	8	one of the lowest rates of carbon emission in the European Union
Ryanair	9	has a strong complex policy for reducing its negative influence on the environment
KLM	8	implement campaign “Fly Responsibility”, encourage passengers to bring lighter package and buy carbon offsets
Air Baltic	10	transparent environmental declaration, holistic responsibility strategy

It can be clearly said that there are numbers of airlines, which are tend to be more responsible while operating their flights, and there are even a lot of budget airlines for partnership. However, it is impossible to completely avoid the use of less responsible airlines, which are operated in Ukraine in the specified direction; however, in this situation it is reasonable decision to avoid flights with stopovers.

Stopovers should also be avoided when creating tourism products, because it is highly important to the ecological state of the planet and also inconvenient for tourists. Non-stop flights consume less fuel than on flights with stops, which means carbon emissions are reduced and this has a smaller effect on the environment.

The second step in this principle is zero waste policy on working places. It's better for the ecology and also can be perceived like a way to improve self-awareness and increase personal responsibility on working places. The company's approach is to dodge futile paper utilization, because it spares both cash and assets. For example, e-mail signature may contains a message to think approximately the environment some time recently printing e-mails and all staff are utilized to printing on both sides when conceivable. Moreover, company administration energizes staff to utilize IT technologies to store and organize information to avoid pointless printing. It is also worth distributing advertising materials through social networks, also marketing by mail and SMS can be used, so as not to use a large number of printed brochures, which will then pollute the environment.

So, for office with 120 people in one month 25 packages of paper may be used. In one year it will be equal to 300 packages of paper.

In one package there is 500 lists, it means that for a one year 150000 lists will be used by one office. The average price for one package is 60 UAH, which mean that for 1 year of work, enterprise will spend 18000 UAH just on paper.

But, if do reduce the usage of paper on 70% by using electronic forms of documents, it will take only 8 packages of paper in one month, and 96 packages for year. Enterprise will use only 48000 lists of paper by year. Costs for paper will be 5760 UAH per year.

It means that enterprise may have positive financial result as well with the help of energy management, because it will reduce costs on paper on 12240 UAH per one year. But it has positive environmental effect and can improve personal responsibility of workers on places, because they will be more attentive to casual things, connecting to protection of the environment.

It should be noted that from one tree we can get 17 packages of paper. It means that before energy management 18 trees were used for such amount of paper, used for one year of working process, and after economy of paper just 6 trees will be used. With help of it company may safe 12 trees. Also, used paper may be recycled. With

the help of it we can see the economy of financial and ecological resources in the Table 3.3.

Table 3.3

**Comparison of effect from paper economy on Coral Travel office
[resource: own compilation]**

Usage of paper before energy management		Usage of paper after energy management	
Number of paper packages for 1 month	25	Number of paper packages for 1 month	8
Number of paper packages for 1 year	300	Number of paper packages for 1 year	96
Number of paper lists used by 1 year	150000	Number of paper lists used by 1 year	48000
Average spending on paper for one year	18000 UAH	Average spending on paper for one year	5760 UAH
Number of trees used for production of paper	18	Number of trees used for production of paper	6

To promote energy and resources management in the office, managers may bring reusable bags, discard disposable utensils, as well as plastic water bottles and glasses, and centrally collect batteries for further disposal. All this affects the amount of waste from office activities. For example, by reducing the use of paper and purchasing the right stationery that is suitable for recycling or composting.

Office should also replace conventional incandescent bulbs with energy-saving ones; from this step enterprise will achieve 80% energy savings. The life of a standard lamp is 1 thousand hours, and for energy-saving it is 10 thousand hours. Also, companies should insert rotary type faucets on the push or install touch taps that turn off automatically when they are not in use. Investing in a green office is an investment in the future that will help save money and the environment.

Third step is working with more green and ecological partners, which provide tour operator with accommodation services.

Coral Travel works with over 4900 accommodation providers around the world, which are located in more than 50 different destinations. Coral Travel need to be aimed on the creation of available “green” trips, where there will be eco-hotels provided. Also, this kind of product need to be more ecological, concerning transportation and leisure activities included. That may be a new segment of the market, which represents that eco-trips should be one that incorporates lodging with an available certification approved by the Global Sustainable Tourism Council, illustrating that the inn cares for the environment, their representatives and the nearby community.

The main feature that distinguishes eco-hotel from its competitors is mostly they are located in natural areas with legal restrictions on the type of development, number of storeys, and operate on the principle of harmonious relations with nature, without polluting environment products of the vital activity of tourists. Nevertheless, even in large megacities, there are hotel facilities offering their guests clean water, organic food and only natural materials for decorating rooms. It is also an economically efficient choice to move to the green and ecological way of operation, if to consider hospitality industry. Many hotel chains took into account “green” ideas and even the most luxurious hotels began to change incandescent lamps to energy-saving ones and encouraged the use of bed linen and towels for several days in a row.

Due to the modern technologies influence, hotel energy consumption can be reduced by 50-90%, this may include: the use of geothermal water to wind and solar energy, only environmentally friendly detergents, special water-saving plumbing, the use of natural materials in the interior, waste collection and its disposal. Thus, the choice of more environmentally friendly hotels and hospitality partners can positively affect the environment, as well as reduce the level of negative impact on the local community located in hotel locations.

The last step of this principle is informational activity directed on tourists. Its purpose may be to inform the traveler, provide advices for environmental

conservation on how to directly contribute to the economic development and political rights and opportunities of local communities, or to promote respect for different cultures and for human rights. Also, history, customs and culture are all important information, as well as an understanding of the local ecosystem.

For example, in some countries, the ecosystem suffers from a large influx of tourists, especially marine. For example, coral reefs lose their biodiversity due to insufficient compliance with the rules by tourists. When diving, tourists will be asked not to feed the fish, not to harm corals, not to throw garbage, food debris, plastic products and packaging, as well as chemicals. It is worth informing tourists if they travel to such areas and to be aware of such things.

Remind tourists that it is worth saving resources in the place of stay. Very often, resources in tourist destinations are in very limited quantities. This applies to water, firewood and delicacies, which sometimes have to be brought from afar. It's also worse to encourage tourists to have a responsible attitude and not let their accompanying persons to hunt rare and protected species of animals, pluck unique plants for tourists and so on.

You can educate tourists about the international rules on taking tourism rightly. It may include such statements:

- 1) Take with you everything you have and not leave this on the the land or whenever you are;
- 2) Set up the restroom far from the water source not to pollute water for local community;
- 3) Take with you all the garbage that you see, even if it is not yours;
- 4) Leave everything that belongs to it in nature; do not take souvenirs of plant or animal origin for memory. Tell tourists about protected types of animals in their place of destination, so they did not mistakenly buy products made from skin or feathers of such animals. This is not only harmful to the environment, but also illegal and can cause consequences even for tourists themselves.

Tourists can have a very negative impact on places of their congestion and harm entire countries, both socially, such as increase of social tension, as well

creating ecological and even economic damage. Therefore, such a simple thing as informing can reduce the level of negative impact on tourist areas.

The second principle of Coral Travel CSR is “Being extraordinary”. It reflects an attitude of mutual respect, directed on key-stakeholders and responsible attitude to the quality of product and services provided. It is a really important point in the social responsibly policy, because Coral Travel has a great loyalty from its customers and aimed at improving image, straightens of relations with clients and attract new ones.

First thing to do is to comply with international standards for products and services provided to prove qualification and professionalism of the enterprise. Certification of services of tourism enterprises is the will of the company in Ukraine, so the company itself can make a choice about whether it needs it. However, it is worth noting that the tour operators and travel agencies that are certified, customers and partners are more trusted.

The most relevant and frequently used certification in tourism industry is ISO 9001. Among the advantages of this certification are the ability to increase competitiveness not only on the market of operation, but also to attract foreign partners for further cooperation, thereby expanding its own spheres of influence and developing more efficient.

It is worth noting that the presence of ISO 9001 certification and adherence to all points in it indicates the following positive elements:

- 1) Safety of life and health of a tourist during a trip and stay in a destination;
- 2) Continuous improvement of the provided services and products;
- 3) Quick and efficient paperwork required for the trip;
- 4) Innovative methods for selecting the required routes;
- 5) Using trusted insurance companies with effective insurance systems to meet all the requirements of tourists;
- 6) Extensive information support for tourists and agents;
- 7) Presence of effective promotion and advertising policies.

Coral Travel should not lose the brand, and do everything possible to maintain the quality of products and services and develop them, as well as actively use these advantages from certification of its own activities.

The second step of this principle is to create eco-trips for clients, who are tending to look for such opportunities. It may help to find new clients, who will be really loyal and relatable to the principle of Coral Travel, expand product line and create new market segment, which is appropriate for the positioning strategy of the enterprise.

Who can be potential and real clients for ecological tourism? It is important to understand who can be potential customer of such services to make the most appropriate tour product, which also will be relevant and efficient for attraction of its potential consumers. This should be taken into account when planning and marketing environmental trips.

Four categories of participants in ecological and green tours can be distinguished based on their goals and the nature of their activities:

- 1) Qualified specialists, which may include scientists or participants of specialized trips with environmental, educational and scientific purpose (ornithological, botanical, ethnographic, archaeological expeditions);
- 2) Eco-enthusiastic tourists who purposefully come to protected areas in order to learn about the local nature and culture and tend to avoid damage from their visits;
- 3) Mainstream tourists whose main goal is just to experience an unusual trip because of the interest;
- 4) Random tourists for whom visiting the natural corners and be involved in eco-tourism activities is a random part of a larger tour.

Due to the relatively more limited extent of ecotourism compared to other types of tourism, its social and ecological significance is highest at the local and regional levels. Because such activity may increase quantity of new working places for the local population and increase incomes for the local economy, so the population wellbeing in long-term perspective.

Therefore, this step is closely related to the "Think about the country" principle of CSR strategy. No less important are advantages, which are not always possible to evaluate economically or which are only indirectly expressed by economic categories. These include, for example, the creation of new jobs, boost up of environmental education among population, improving the cultural level of the population, developing the infrastructure on the places, and contributing the economy of the backward regions. Among the benefits of the development of ecotourism, various aspects of nature conservation are of particular importance as well.

It is important to make environmental trips available at the regional or national level. This can significantly improve the level of domestic tourism while doing less damage to the environment. Most of the tourist trips within the country go to the regions where the Sea of Azov is located, which does not have a positive effect on the region, which is becoming overloaded due to the large number of tourists. It is necessary to create tourism products in low-advertised and backward regions that can attract the attention of tourists.

The third step is to be loyal and trustful tour operator, who thinks about partners and clients. As it was mentioned before, competition on the market intensifies and tour operators are forced to look for new ways to increase sales and be competitive. Now tour operators have to compete not only for tourists, but also for travel agents. And Coral Travel is not that competitive, if to judge from rating of tour agent-friendly ratings. In the past agents relied only on the quantity of commission payments, now they are looking for loyalty systems with additional perks from operator companies.

Tour agents choose a tour operator for a combination of reasons, and not because of the promised bonuses

The main problems of Coral Travel are such: the online help line for travel agents is not working efficiently and slows down work, as well as there is a low loyalty in resolving disputes; low ability of using Promo Price. Coral Travel tour operator cannot offer simultaneously look and compare the standard price and Promo

Price in the selection, which creates additional difficulties when making a decision. Many agents do not know at all that there is still a standard for each promo price.

Coral's promotional price is also disadvantageous for strong agencies, and given its fees for its own franchised offices, it is their own franchisees that suffer the most if they inadvertently book promos. They overpay is about 2%.

This is unacceptable for the future development of the Coral Travel network, because through the work of franchising agencies it can expand and capture the market. In this case, loyalty program for tour agencies should be conducted.

However, the loyalty program for tourists in Coral Travel works, but not in Ukraine, but in other countries. It should be implemented on the Ukrainian market as well. Any tourist can join it by filling out a form on the site or on the place in tour agency. A tourist can obtain a card with its identifier code, or tourists can receive it electronically and in this case have electronic number for identification and personal cabinet on the website. According to the Coral Travel Market, the tourist will be awarded bonuses for making any purchases only in the offices of the Coral Travel network. Bonuses will be accrued both for the purchase of individual travel services (hotel reservation, transportation, insurance policy) and for the purchase of a package tour.

The last step of this principle is to create and implement ecological and green excursions.

That will be an opportunity to collect a set of select outings that have been created by Coral Travel and custom-made to grant clients a genuine taste of the place of visit. Each outing within this line of excursions must be elite to Coral Travel and meet particular criteria for sustainability, appearing that it is bringing advantage to nearby individuals and limiting its effect on the environment.

There are such basic principles of ecological excursions conducted:

- 1) The main goal of such an excursion it is connection with nature, as well as with essential cultural peculiarities and traditions of a certain place;
- 2) Reduction of negative consequences of ecological and socio-cultural nature, maintenance with sustainable state of the environment;

- 3) Promotion of the protection of nature and the local community environment;
- 4) Environmental education;
- 5) Participation of local residents in such excursions with the financial incentives, which creates additional interest for them to protect nature;
- 6) Economic efficiency and contribution to the sustainable development of the visited areas.

Also, this step may be connected to the “Think about the country” principle and those excursions may be made for domestic tourism, while there may be an intersection with “Being careful” principle. To this end, contests can be held among young people studying in the tourism business. The essence of the contests can be the creation of ecological and green excursions, the winners will be able to receive a monetary reward, and their excursions will be used for further distribution to tourists. The best competitors will be given the opportunity to complete an internship at the main office, and in the future, to get a job in Coral Travel.

Now I want to consider the principle “Being leader”, which highlights Coral Travel’s intentions to be exceptional and active participant on the market, to be creative and set an example for others. This principle reflects the active social role of Coral Travel in initiatives aimed at improving society and show responsible attitude to doing business, which can benefit all participants and be aware of its own operation.

First step is to be involved in different kinds of events, connected to CSR. In order to effectively implement the CSR policy at the enterprise, you need to share and gain other people's experience from other companies. It can be conferences, competitions and information events. For example, the Ukrainian Development of CSR Center holds annual case competitions for enterprises that introduce new initiatives.

By participating in such events, you can get more information about new changing trends, as well as find new like-minded partners who are also moving in the same direction as the company. It may help to obtain enough of information about

different methods of CSR implementation for tourism enterprises and to spread this information through Coral Travel's events, made by itself.

The second step is to find partners. It is an important essence of CSR responsibility, because with the help of right social connection a lot of things can be financed, promoted and supported. Ukraine has a very low level of state support in the tourism sector, although this is considered the most profitable scheme for partnerships in the industry. That is why company should look for partner enterprises that can contribute to CSR initiatives.

Let's look closely on the potential partners of Coral Travel Tour Operator in the sphere of CSR implementation. It should be considered that enterprise have some partners, which are involved in such activities and can be involved in implementation of corporate social responsibility activities as well.

So, for example, Coral Travel collaborates with a large mobile company Vodafone. The most important strategic priority of Vodafone Ukraine is social responsibility. The company views social responsibility as responsibility for the impact of Vodafone decisions and actions on society and the environment through transparent and ethical behavior. Social responsibility in Vodafone Ukraine reflected as an important component of the company's development strategy, integrated at all levels of the company [48]. Vodafone development strategy is built in accordance with the demands of society and consumers, the main purpose of which is to improve the quality of life. Since Coral Travel already has established relations with Vodafone, it is possible to involve a partner in carrying out common initiatives on mutually beneficial conditions. So, there is a need to point out potential partners and make an assessment of their abilities to participate on CSR activities, based on the present policy of the enterprises. In the Table 3.4 such partners are presented, with the description of their CSR initiatives.

**Potential partners of Coral Travel Tour Operator in the implementation
of CSR [resource: own compilation]**

Partners of Coral Travel	CSR spheres
Raiffeisen Bank Aval	transparent business; environmental responsibility; social support of staff; sponsorship; charity initiatives; corporate volunteering; financial literacy; social initiatives
Ukrsibbank	adhere to human rights; environmental protection; fight against corruption; cultural events financing
Vodafone	financing of tourist initiative Smart Routes for cities of Ukraine; responsible business; eco volunteers from the enterprise; environmental protection; corporate charity; caring for employees
OTIUM FAMILY ECO CLUB	regional development; environment protection measures; promote and support of social initiatives; contribute to the improvement of living conditions of population

In the time of changes in global economy, opportunities from cooperation and partnership in the field of social development and civil society cannot be denied. It is even more essential in the context of corporate social responsibility and the spread of sustainable development ideas that seek to integrate into the strategic model around

the world. A great decision may be non-governmental organizations, which can support enterprise in such activities.

To implement the idea of corporate social responsibility, many companies have created their own foundations and projects, but the presence of a competent specialist will be a real asset for any company.

The purpose of the search is to find NGOs with a common goal, key values, and a team of professionals. For example, Coral Travel decided to focus its CSR strategy on education of young generation in the field of tourism. Therefore, company need cooperate in the field of training and education with a number of NGOs in regions. Thus, the company and the NGO found a common goal and objectives for cooperation in the field of social responsibility.

Each organization has its own strengths and core competencies. Marketing can be the main competence of business, and NGOs can have experience in climate and environmental issues. Such type of partnership should be seen as a long-term strategic investment. It should be a part of company's future strategies, strong relationship initiatives; the idea of CSR must be combined with a long-term goal.

The third step is to promote personal responsibility on working places. It can be reflect in some management steps, made by organization.

For example, if a tour operator encourages employees to use less paper during the working process, this can be attributed to a personal type of responsibility. In order to form such a responsibility, it is necessary to acquaint the staff with the key ideas of the company in the form of dialogue.

In order to form a responsible attitude of employees, it is necessary to carry out a number of corporate activities aimed at forming a team spirit and work ethic of the enterprise. These can be trainings, encouragement of people who have shown the greatest activity in putting forward new initiatives and followed recommendations. For example, main office can put sorting bins in the office, and those departments which were do better than others can receive incentives from the company. This will create a competitive spirit, which is also beneficial for the environment, and will also help to create a more responsible attitude among employees. Such methods of

introducing personal responsibility should be encouraged in the regions among travel agencies operating under franchises.

The last step of this principle is to invest in charity and use sponsorship. As it was said before, Coral Travel conducted some charitable events in the past. Sponsorship is one of the most effective tools of social marketing, which can be considered as attracting company funds to any social project in order to achieve the desired advertising effect.

Other goals of sponsorship should be highlighted:

- 1) creating an attractive image of the company and its top management for the public;
- 2) building trust with influence groups (stakeholders);
- 3) ensuring favorable corporate relations within the company;
- 4) establishing interaction with the media and authorities;
- 5) formation of a favorable public opinion about the company's activities.

Also, charity events should be conducted. It's not the same as sponsorship, because in this case it doesn't reflect any kind of financial intentions. Charity, unlike sponsorship, did not involve any financial or other obligations on the part of the recipient. The fundamental difference between sponsorship and charity is as follows: charity is a free transfer of funds; charity doesn't have advertisement content in it.

Charitable activities are carried out in order to support and protect citizens, including improving the financial situation of the poor, the disabled and other persons who due to their physical or intellectual characteristics, other circumstances are unable to exercise their rights and legitimate interests; empower youth, social initiatives in the field of culture, science or art, etc.

Participation in the implementation of socially significant projects and programs demonstrates not only the ability but also the social significance of the firm, forms the image of the company as a reliable member of society. The development of the reputation of the company and its leaders involves specific cases in which the reputation is earned.

Sponsorship and charity help to ensure a favorable relationship of the company with the social environment associated with the territory in which the company is located: local authorities, NGOs, residents of the surrounding area, neighborhood and partners. Caring for local veterans, landscaping, assistance to children's institutions significantly facilitate the building of relations with local authorities.

Fourth principle is “Express caring attitude”, which represent that Coral Travel’s ambassador are its workers, and enterprise think about development of their human potential and wellbeing.

The first step of this principle is to increase staff headquarters, because rates show that reception turnover ratio is low and it demonstrates trend of stagnation. For 2018 year there were 5 new employee, and in 2019 year just 4. Expansion of staff headquarters is poorly done.

However, it is really important for the development of enterprise; new employees may suggest new approaches to work. This step will help to create new jobs and find employees who will be easier to adapt to the new principles of the company in time to introduce the CSR policy.

Also, this step should be applicable to the new entrepreneurs, who choose Coral Travel franchise for the work. Coral Travel Tour operator has more than 300 representative tour agencies around the country, but they are mostly located in big cities. The network should be expanding with the help of attractive conditions for tour agents.

The second step is to improve working conditions for staff. The main goal is to create conditions in which employees will be able to reveal their full potential and effectively provide the highest level of service. Those ideals, values and principles of responsible business are laid down in the standards of employment, respect for human rights, the environment, the selection of suppliers and the ethical requirements that company set for itself and others.

Business success depends on employees who are doing their work efficiently and ready to actively participate, lead and suggest innovation in the sphere. There are

different directions to work on in the field of improving working condition, for example digitalization.

Mostly employees deal with websites and computer programs for booking. When there is no convenient software, working process slow down and it harm the effectiveness; it may push away new employees as well. The poor website for tour agents was one of the negative qualities of Coral Travel Tour operator for agents, who cannot feel comfortable during working with this software. Debugged working processes with a convenient form of work are the key to a good team, and therefore success. It's even more essential when it comes to the tourism industry, where digitalization is a ubiquitous phenomenon that must keep up with global trends.

Also employees need to be involved in the development of CSR, HR-department need to conduct surveys related to dissatisfaction and employee satisfaction with the place of work, offer the opportunity to constructively discuss how to fix negative issues with top managers and rank-and-file employees. An important action is attracting employees to discussions about the development of CSR in order to hear their opinions on what exactly needs to be paid attention to and what measures can be taken. Since CSR can change the mission and corporate ethics on the workplace, employees must be involved in the development of the basic ideas of the company.

Another real business benefit is that loyal employees work more productively. As calculated in international studies, the productivity of the loyal increases by 4%. That is, without the participation of the HR department, CSR will never have potential.

Third step of this principle is to participate in the events for development of human capital and increase personnel qualification. As it was mentioned before, staff it is driving force of any enterprise.

In companies of different sizes, it is necessary to create training processes that can replenish and expand the pool of key staff. Now the business task is not just to educate managers, but to educate managers, who can be professionals in their sphere.

This means not only managerial skills, leadership potential and experience, but also a high level of knowledge and skills in the field of functional expertise.

In various sources, the development process of staff is considered from different points of view. So, in it is noted that the successful development of managerial personnel is based on three factors: knowledge, motivation, employee behavior.

It is advisable to add such a component as employee awareness to this. Since the information received by the management or employee of the company at the right time, in an appropriate form and with a certain amount of content, plays a major role in making a management decision and thereby contributes to the development of both an individual employee and the entire organization. Often the lack of informing employees in the organization becomes the reason for making unreasonable decisions.

The employee information system should be organized well in the organization like a combination of the transmitted information, its distribution channels, events and instructions of the head of staff information, as well as the rules for working with information. In order to create an effective information system in organizing the tourism industry, it is advisable to correctly determine the content and volume of information, time, frequency, adequate methods of communicating information to performers, forms of providing information from employees to management.

Another thing to do is to organize training for employees, aimed at increase of qualification and competencies. It may be conducted in the way of e-learning, which demands less money for organization, and improve technical skills.

Also, trainings and conferences for tour agents should be conducted more often. Coral Travel participate in such events even now and that's a right decision, because it is an appropriate way to inform representatives of tour operator about latest trends, changes and it positively effect on the level of services provided on franchise firms.

The last step of principle is making an investment in the encouragement of young talents in the tourism sphere. These are potential employees of the tourism

sector who can become leaders, offer innovations and in the future will develop the tourism sector of the country. It is very important to promote the young generation, as well as invest in their education in order to receive feedback in the future from qualified personnel.

Coral Travel can hold contests for the development of tours for young talents who can receive financial rewards, or the possibility of an internship. In addition, Coral Travel may support some universities with tourism specialties in organizing and sponsoring internships with foreign experience.

Also, educational trainings for school children can be organized. It can be eco-tours, the goal of which is to give children an environmental education in their regions and local communities. Such a decision can create additional working places in the regions, as well as instill environmental awareness and interest in green tourism for kids from childhood. This has a positive effect on the underdeveloped regions of the country and contributes to the development of society.

The last, but not least principle of CSR policy of Coral Travel should be “Think about the country”. Business and government are very closely connected even in countries where government agencies prefer a free market strategy.

Tourism is an industry that directly depends on the social and economic processes in the country. Thus, a decrease of population’s incomes directly affects a decrease in income from the tourism business. That is why for the tourism business the use of CSR is a necessity that can reduce the risks posed by the enterprises themselves in the process of their activities.

The first step is to conduct transparent business. Coral Travel does not provide any reporting information publically, while other foreign developed companies tend to make annual reports about their activities. This is the key to the trust of both customers and partners. Fair market is always more stable.

It can be a question not only of financial reporting, there are non-financial reporting forms existing. However, this may be due to the extremely complex integrated reporting form, which is not prescribed in Ukrainian legislation. However,

Coral Travel can present its development strategy and report on what progress has been achieved during its implementation.

Second step is to create tourism products that are aimed at domestic tourism, as well as inbound tourism. Most Ukrainian tourism is aimed at outbound trips. This negatively affects the tourism sector of Ukraine, which in reality has potential, but it has few funds for its implementation and lack of support from government.

As a result of the implementation of domestic tourism development projects, local residents should receive economic, social, political, cultural and other advantages (both individual and collective). Such an advantage in particular, is the creation of new jobs (guides, forest guards), additional marketing opportunities for local products and souvenirs, as well as preservation of their national cultural values.

Community-based tourism development projects aim to enable them to decide for they what type of development is most suitable for them desirable and then contribute to its implementation. When implementing the program. The development of tourism in the regions is important to consider that it is the locals, not outside parties should play a decisive role in resolving issues related to the future territory of their residence. Territorial development as a process of productive and institutional transformation of a certain area aims to form a competitive local economy [49].

The main goal of socio-economic development of destinations, facing business as part of its responsibility to society, is to improve the quality of life. This goal is achieved by harmonization of the most important socio-economic aspects of tourist destinations, such as: growth of production, income, development of the social sphere (education, health care); relevant changes in institutional, social and administrative systems of society; constructive changes in the public consciousness; positive changes in the traditions and customs of the regions within the framework of universal values; increasing the degree of freedom of people, including economic. The last two components of quality of life are not always were taken into account in assessing the degree of socio-economic development, however, recently, social science and political practice have given them increasing importance.

The next step is to participate in the increase of prestige of Ukrainian tourism. This can be done by creating unique products also aimed at foreign visitors. With the help of well-designed tours, enterprise can create a national image and flavor of Ukraine, which will attract more visitors. For this, various types of advertising can be used: such as commercials in English, participation in international exhibitions on tourism activities and so on. In the long-term perspective it may help to create new working places, attract new clients, increase earning from the sphere and create more strong domestic tourism market.

The last step is to create Fund for Coral Travel Tour Operator. It's really important for strategical planning, because with the help of such structure many CSR initiatives may be financed and conducted. Such organizational structures are aimed on implemented and supporting of different positive changes, they obtain financial resources from key partners and donations of third parties. It may take 5 years to achieve this goal. It should be a structure, which stand for the development of sustainable holidays.

With the help of it some social projects can be supported from the funds. The fund is one of the varieties of non-profit organizations, which created without aim of obtaining financial benefits from its activity. The main difference of the fund from other non-profit organizations is that the fund is not an association of individuals or legal entities, but simply a combination of property aimed at achieving some socially useful goals.

To conclude, it can be said that CSR policy it is a strategical point of development and may take years for its appropriate implementation. However, it provides sustainable development for the enterprise and helps to clarify long-term perspectives.

Based on the analysis of different measured to take in order to build up a holistic system of social responsibility (fig.3.1), such measures should be taken first: energy resources management, informational activities with tourists, encouragement of employees who stands for CSR principles, search for greener accommodation partners, diminish number of flights with stopovers.

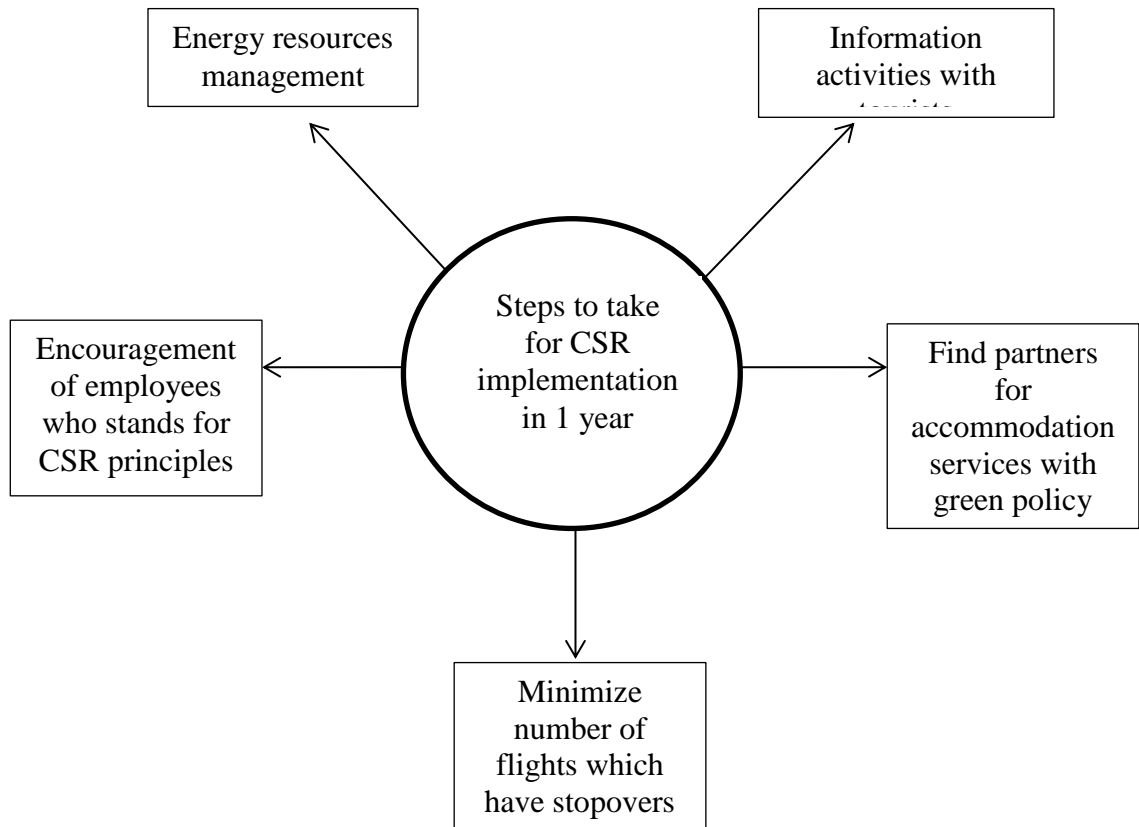


Figure 3.1 Steps for CSR implementation for the 1st year [resource: own compilation]

Conclusion of the third part

Those steps don't require a lot of financial resources, but they can but they can create suitable conditions for the further development of CSR in the enterprise. So, for example, with the help of energy resources management, the costs of maintaining an office are reduced, as well as the personal social responsibility of employees is inculcated. Also, encouraging employees who actively adhere to the new principles of the company will form corporate ethics necessary for the full functioning of social responsibility.

Also, informing tourists about how they can make their trip more environmentally friendly, as well as do less damage, will form an opinion among customers about Coral Travel as a reliable and caring company. This will increase

loyalty, and can also encourage tourists to comply with standards that help preserve the nature, culture and resources of the destinations where they go.

The search for partners will help to expand the selection of affordable hotels for accommodation, as well as enter into partnerships with suitable companies that also seek for development of social responsibility and will move in the same direction with Coral Travel.

Also, the formation of a tourism product with minimizing stopovers is a very important step. Since the tourist operator cannot immediately abandon the use of certain partner airlines, with the help of this, it will still be able to reduce the amount of emissions produced into the atmosphere. Also, this is more convenient for tourists.

It can be said, that tourism today creates significant levels of employment and economic development, but tourism can disrupt or destroy local cultures or introduce undesirable consequences. Tour operators are partly responsible for these negative effects of tourism, as they determine the direction of travel of tourists and objects of use; in a sense, they also act as a mediator that unites other sectors of tourism [50].

Tour operators are a central element of the tourist system. As intermediaries between tourists and tourism service providers, tour operators can influence consumer choices, supplier practices and destination development models [51]. This unique role means that tour operators can make an important contribution to achieving the goals of sustainable tourism development and the protection of environmental and cultural resources on which the competitiveness and growth of the tourism industry depends.

Appropriate state of environment, authentic local culture, and friendly people are the motivators of travel. Thus, the interest of tour operators in preserving the environment in destinations and the formation of constructive relationships with local communities, improving the quality of tourist services is an important tool to increase customer satisfaction. It can increase competitiveness of Coral Travel, strengthen its image and brand for key stakeholders, maintain loyal client base, expand its authority on the market, find new partners based on the mutual values and create an opportunity to work on international standards.

CONCLUSIONS

In conclusion, we can say that one of the essential indicators of the efficiency of the tourist enterprise in Ukraine is its competitiveness, as the market is quite oversaturated and is currently facing a crisis due to COVID-19.

Analyzing the concept of corporate social responsibility, we can say about the ambiguity of this term and the complexity of measurement. However, a positive trend was highlighted in the implementation of CSR at the enterprise. With the help of CSR, it is possible to increase the competitiveness of the enterprise, which accompanies further development and expansion on the market.

It can be said that in Ukraine the concept of CSR has a more declarative nature, since there are no standardized reporting for CSR initiatives, there is no state incentive and a sufficient legislative base for the holistic development.

Different approaches to the evaluation of corporate social responsibility of enterprises are analyzed. It is noted that at this stage the phenomenon is not characterized by unity of opinion among specialists. Concept can be perceived as positive and one that develops the moral and ethical component of business at the level of the country, region and local community. However, it may raise the issue of the main principle of business – to make everything for profitability.

Tour operators and travel agents are intermediaries in the provision of tourism services, and have not as much negative impact on the environment as their partners. However, it is mediation that will increase the number of these very negative trends.

It should be noted that social responsibility of the enterprise can be assessed in terms of: business owners, staff, consumers, local authorities and business partnerships. Mostly, it's because of the interconnection of corporate social responsibility term with different stakeholders and the society as a whole. The effectiveness of social responsibility in the enterprise can be assessed financially and non-financially (non-material positive influence from initiatives). It may be

calculated with the average wage, costs of resources for office and activities in office (water, electricity, paper, office supplies), number of carbon emissions from airlines partners, and so on.

Approaches to CSR and its connection with financial efficiency were analyzed. It is really important to balance between goals in different directions, satisfy needs and wants of stakeholders, strengthen image and unpaid expenses for social projects as options for conducting CSR at the enterprises are allocated. It is possible to reduce risks with the help of CSR implementation and also reduce some costs connected with office maintenance.

Corporate social responsibility is also help to attract partners and create the basis for further cooperation on the basis of common goals and strategies of enterprises. With this, it is possible to expand its influence in the market.

Also, do not miss the fact that CSR creates an opportunity for sustainable development, which in modern times is considered the most profitable and safe form of development. This creates both positive conditions in the market and has a less negative impact on the environment and society. And since the tourism sector is social and for the most part highly dependent on economic, political and unforeseen changes in society, CSR can be considered a way to reduce risks from such threats, which were created due to its business activity.

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